

2018 State of the City

Good morning and thank you for attending the 2018 State of the City - State of the County Address this morning. I would like to take this opportunity to thank Community President and Senior Lender Laura Yockey of Chemical Bank for the wonderful introduction. And thank you to the Saginaw County Chamber of Commerce for hosting today's event.

Let me first start with some introductions. Joining me on this special morning is my high school sweetheart and beautiful wife of 48 years, Sue. Also joining me today are my two lovely daughters Amy and Sara. Without the support of my devoted family, I would not be here today.

Also in attendance this morning are my fellow council members who have shown themselves to be strong and competent leaders. I cannot say enough about their commitment and fortitude. I would like to ask them to please stand and be acknowledged: Mayor Pro Tem Floyd Kloc, Councilmembers John Milne, Brenda F. Moore, John Humphreys, Clint Bryant, Demond L. Tibbs, Annie Boensch, and Michael Balls. (Thank you)

Our City Manager, Tim Morales, is unable to join us today as he is attending the Michigan Municipal Executives Winter Institute. Tim has shown genuine leadership since taking the position of City Manager in 2014. His is a 24/7 job, and I know first-hand that his vision and dedication are second to none. Tim and his dedicated staff have helped us navigate through some challenging times.

I would also like to thank the City of Saginaw administration and all the city employees. They work diligently every day to rebuild our city and grow our economy. They are doing more with less and they are getting it done. Would all members of our city administration and staff please stand. (Thank you)

Today is an exciting day in our city. To come together ... to reflect on our progress ... and to look forward to what is coming next.

In recent years, the city council and management have had to focus on efficiency, eliminate waste, consolidate departments, and determine the best outcome, both operationally and fiscally for the City, while still providing quality services.

Our City Manager Tim Morales and his team have been able to improve the City's financial position by pro-actively managing our expenses and budget. We have been able to grow our General Fund fund balance from a low of \$270,000 in 2013, to about \$4.3 million at the completion of fiscal year 2017. Today, we are in a more secure position with a fund balance that would support 45 days of operation.

The continued Economic Growth and Development in our city is apparent. The projects are too numerous to mention them all, but I must highlight the Bancroft/Eddy Residential Development, CMU College of Medicine, Riverview Brownstones on Hamilton, Delta College – Saginaw Center, and the SVRC Marketplace investment. All of these projects add up to over \$100 million in new investment.

I am amazed at the transformation that has taken place in our downtown area. Our partnership with the Chamber of Commerce, Saginaw Future, Downtown Development Authority, the Michigan Economic Development Corporation, as

well as private businesses has led to positive investment projects and entrepreneurial initiatives.

We've seen more investment in the past few years than the last twenty combined, and it's a tribute to working together and finding creative ways to encourage new development.

In June of 2017, I was part of an exciting press conference here in downtown Saginaw where Governor Rick Snyder introduced the MIThrive legislation aimed at revitalizing communities like Saginaw by allowing transformational projects to capture state sales and income taxes to redevelop challenging brownfield sites into new, vibrant developments. Legislation such as MIThrive, which was sponsored by our own Senator Ken Horn, will bring jobs and economic growth to our community and help to revitalize our downtown.

In November of 2017, the City of Saginaw received the University of Michigan Dearborn eCities award for a “Top Performing Entrepreneurial Community”. Saginaw was one of four communities out of 277 studied across the state of Michigan to be identified for the strategies used to foster entrepreneurial growth

and economic development. We value the organizations we are partnering with, such as Saginaw Future Incorporated, that strive to make our city successful.

Collectively, we are fostering a vibrant and livable city. For 2017, we saw the progress of projects like the Janet H. Nash Riverfront Preserve, and the upcoming renovations at Ojibway Island, as well the agreement with the Lamarr Woodley Foundation to renovate and recreate the former Civitan building. These are just a few of the many developments that tell families and potential investors looking to locate in Saginaw that we put a high premium on quality of life as a city.

This past year, we have invested over \$4,000,000 in road repairs, completing nearly 5 miles of road rehabilitation, and 1.5 miles of improvements to the water distribution system.

Another highlight of 2017 is the savings we have achieved through the hard work of our Human Resources staff. In January of 2017, the City entered into an agreement with retirees to streamline the 20 existing retiree health care plans into what is currently four plans. This agreement will provide an estimated cost

reduction of \$2.5 million dollars a year. These savings can now be directed to some of the City's unfunded healthcare and pension liability obligations.

As a retired police officer, the safety of our citizens continues to be a key priority for me and for all members of City Council. I'm pleased to remind you of the encouraging news Chief Bob Ruth announced in January: Serious Part One Crime in Saginaw continues in a downward spiral, decreasing another 3% in 2017!

The Saginaw Police Department continues its partnership and coalition with the Michigan State Police, Saginaw County Sheriff's Department, Saginaw County Prosecutor's Office, Michigan Department of Corrections, FBI, Secret Service, Saginaw County Central Dispatch and other police agencies in Saginaw County to better serve the citizens of Saginaw. Would all members of our law enforcement agencies, judicial system, and other partners please stand and be recognized.
(Thank you.)

Throughout 2017, there were many positive enhancements taking place in our Fire Department. This includes: technology improvements that provide

firefighters with immediate access to critical information when needed and also provide specific location information to crews before they leave the fire station to respond to an emergency incident.

The Saginaw Fire Department continues to collaborate with neighboring first responder organizations such as the Saginaw Township Fire Department, Buena Vista Fire Department, U.S. Coast Guard, the Department of Natural Resources and others. Our Fire Department has established a strong relationship with the community through its D.I.C.E. camps and the Fire Explorer posts for high school students from our area to educate and encourage these students to pursue a career in fire services.

Finally, in 2017, the fire department hosted its second Fire Ops class, which gives elected officials the opportunity to experience the multitude of demands, physical and mental, placed on our firefighters on a daily basis. I would like to acknowledge Chief Chris Van Loo and all Saginaw firefighters, as well as the firefighters from surrounding communities and ALL first responders who are in attendance today. Would you please stand. (Thank you.)

2017 was a good year here in the City of Saginaw. Looking ahead, there are many new and exciting changes that will be rolled out as we continue to move through 2018.

Some of these include:

- Improvements for the 2018 elections at every precinct and polling location that will enhance voting accuracy and increase the security of each ballot, as well as reduce voter wait time.
- Additional demolitions of blighted residential and business structures to create more safe and welcoming neighborhoods.
- Updated software to enhance web security to guard against cyber-crimes and protect sensitive government and personal information from data breaches.
- In May, Saginaw will become a State of Michigan Redevelopment Ready Certified Community based on our concerted efforts to enhance the quality of life, and create a positive environment for investors, entrepreneurs, and businesses for future economic growth.

The City's Financial Management team continues the challenge of pension and retiree health care costs. Recently, Saginaw was the first municipality to meet directly with the Michigan Treasury Bureau of Local Government to address this issue. While we are not currently where we want to be, Saginaw's budget is balanced, we have positive growth, and very limited general obligation debt.

Saginaw is only one of two cities in our entire nation with a double tax cap which was established in 1979. Several past attempts to remove the tax cap have failed, and as a result we continue to operate on a limited revenue, based on property tax revenues set in 1978. I'm excited to announce that several organizations, including the Saginaw Chapter of the NAACP, the Ezekiel Project, and many Neighborhood Associations, have announced they will take the lead in 2018 and are committed to remove this burdensome double tax cap for the future growth of our city.

In 2018, our police and fire departments must face new and challenging obstacles to offer the best safety model for our citizens. Our law enforcement members are tackling twenty-first century crimes by partnering with the Human Trafficking Task Force Coalition, and working with public and private agencies to fight the opioid epidemic. Through increased education, partnerships, and collaborative efforts, we are making a positive impact.

2017 brought the difficult news that Federal Funding through the SAFER grant for 13 fire fighters would not be renewed. In 2018, our Fire Department is prepared to face this challenge and will continue to provide the safest and most efficient fire safety model for our citizens.

We will face challenges this year, and in the years to come. As I stated, we've made strides in addressing our unfunded liabilities, but we will have to continue to be vigilant and dedicated to setting money aside to pay for these retiree and employee benefits.

Saginaw, like many cities, has an aging infrastructure and we will need to continue to upgrade our streets, bridges, and water and sewer system.

Additionally, I must mention the difficulty that we face in hiring. We need our young adults to be interested in working for and serving the city – our goal is to show them that public service is an admirable and rewarding career.

As we continue into 2018, City Council now has solid Mission and Vision Statements, along with a firm set of Core Values for the City of Saginaw. Each of you should have a brochure in front of you that details what we have established. It is our belief that the Mission and Vision Statements and Core Values shared in this publication will provide a sound and workable approach to achieve the future we envision for our City.

At our January Strategic Planning Session, we discussed the possibilities for Saginaw as we move into the ever-changing future. There are many exciting technological advancements that we must be prepared for. We must be geared for tomorrow and what lies ahead in 2020, 2030, and beyond.

Straight out of an old sci-fi book, driverless vehicles will exist one day in Saginaw. Perhaps sooner than we think. More and more companies are developing plans

to launch autonomous vehicles in 2020 and beyond. We must improve our infrastructure and be prepared with the technology to accommodate these vehicles.

Along with driverless vehicles, we also will be welcoming electric cars as the eco-friendly transportation alternative of the future. The affordability of these vehicles will make them much more of a reality in the future. We must be prepared with the charging technology throughout our city needed to accommodate these electric cars. These new mobility trends will also force us as leaders and planners to rethink and restructure the space planned for large, car-oriented infrastructures like our parking garages.

There must be a determined effort to prepare for the new innovations, new technology, developing trends in mobility, and the changing workforce and marketplace.

We live in a world of great turmoil. Our nation's political, racial and economic divides threaten to separate neighbor from neighbor. But Saginaw has a

willingness to put our differences aside and come together to create a community we want to call home. I want to stop and take a moment to acknowledge a few of the many organizations and individuals who are making a difference in our community.

- Pastor Don Dinninger, a former Saginaw Police Officer, and the members and volunteers at Old Town Christian Outreach Center are touching thousands of lives through the weekly neighborhood clothing and food giveaways, meals, and community outreach.
- Tamara Klida and Pastor Roy Baldwin created “One Week, One Street” in our city and are revitalizing the Saginaw High neighborhood area.
- Our Riverfront Development Commission has taken it upon themselves, by enlisting the help of hundreds of volunteers, to dedicate one weekend each year to beautify Ojibway Island and the riverfront area.
- The Friends of Hoyt Park Committee must be commended for the excitement they have created every winter with the “Bring Back the Ice” program, as well as the many summer activities at this historic park.
- The Light Up the City program, sponsored by Consumers Energy, law enforcement agencies, community groups, and business leaders, creating a safer community for everyone.
- Positive Results Downtown Saginaw brings thousands to Morley Plaza every summer for their Friday Night Live free concerts!
- Finally, I must recognize the many neighborhood associations that are helping their neighborhoods to thrive and are making a positive contribution to our city.

This past year, I was given the honor to serve as the grand marshal of the Positive Results Downtown Saginaw's 40th Annual Christmas Parade. The annual Holidays in the Heart of the City event occurred the Friday night preceding the parade.

Throughout this wonderful weekend, I was privileged to greet visitors to our city and to reconnect with friends I have known for many years. Each person I encountered that weekend commented on the heart and the warmth of our city. Throughout the following week, as we kicked off our holiday season, I saw local businesses like the Savoy providing free holiday meals to hundreds of Saginaw residents. I also saw many local churches handing out food baskets to the less fortunate in our community. Our community cares.

Everyday, everywhere in Saginaw there are opportunities for all of us, including each and everyone here this morning, to do our part. We can:

- Join and support our neighborhood association
- Apply to participate on a city board or commission
- Volunteer for a worthwhile cause in our city

- Simply support our community by attending one of the hundreds of fun, educational and entertaining events taking place almost daily in the downtown and riverfront areas.

In 2014 ... I brought you a message filled with Hope for the City of Saginaw. At that time, I stated that our vision had potential, because of the Strong Foundation that we have as a city. This Foundation that I spoke of ... is found in people. Today, over four years later, I still believe in the people who live and work in our City; I still believe in the people who continue to invest in our City; and I believe in the people who have forged valuable partnerships with us.

With an ambitious vision, exciting new initiatives and passionate community partners, Saginaw continues to make great strides in shaping our City into one that is increasingly vibrant, innovative, inclusive, and sustainable.

Today, I announce that this is my fifth and final State of the City address. I have chosen not to run for re-election for City Council next November. Over four years ago, Council honored me by allowing me to serve you as Mayor of this wonderful

city. I want to thank the members of Council, the Chamber, and the citizens of Saginaw for all your support.

On the screen you see a very young, ambitious officer who was driven by a desire to make our city a better place to live and work. I believed that I could make a difference. I believed in the future of Saginaw.

We must continue to reach higher and dream bigger. I still bring you a message of Hope. I continue to believe in our city. And I believe the best is yet to come.

Thank you, God bless you, and God bless the City and County of Saginaw, Michigan.