

**Mayor Daniel Horrigan  
2018 State of the City Address  
John S. Knight Center  
February 28, 2018**

***As prepared for delivery***

Thank you, Don. Good Afternoon and thank you to the Greater Akron Chamber and sponsoring organizations the Akron Roundtable and Leadership Akron. We cannot forget the Kiwanis and Rotary Clubs that have been a part of this event, for over 25 years.

My sincere gratitude as well, to the excellent staff and management, of the John S. Knight Center. Join me, in giving them a round of applause.

I started this journey as your Mayor two years ago, and half-way through my first term I have a unique perspective on where we've been, and more importantly, where we need to be if we are to remain a *vibrant* city.

Today, I want to share my thoughts with you on why we are at a pivotal moment in Akron's history.

Leading this city is a journey, one that I've shared with some very hardworking people: the 1,800 City of Akron employees, our department managers, and my Cabinet who are dedicated to making Akron a great place to live and work, and who continue to do more with less.

I also want to thank City Council for joining me in working to find solutions for Akron's most difficult challenges.

I'd like to thank Council President Margo Sommerville and all the members of Akron City Council who were able to be here today. Join me, in recognizing their service.

In a time of accelerated change Akron must grow in ways that are *vigorous*.

We have to be entrepreneurial and adaptive and in short, Akron needs to be a city that "*thrives*" not just "*survives*."

**Today, I want to talk about Akron, as a "Thriving City." And why thriving cities are financially stable; benefit from density and connectivity; invest in their people; and have growing, entrepreneurial economies.**

In order for us to thrive we must fundamentally change the way this city operates. I'm not here to simply whittle around the edges. We live in a shrinking world, where commerce, talent, information, and culture are global commodities.

Akron is experiencing a great renaissance. I'm convinced there is never going to be an opportunity like this again in our lifetimes to embrace new ideas and a new vision. The time is here, and the time is now, to remake and realign our institutions to achieve growth with equity.

I'm proud to say that over the past 24 months, as a City, we haven't kicked a single problem down the road. We've looked into the eyes of our biggest challenges and faced them, head on. We have open and frequent conversations on what the city's role is and should be going forward.

The formula for success is to carefully choose when the City will lead, when it will follow, and when it will get out of the way. In the past, we have, at times, occupied spaces or taken on responsibilities that other community partners are better equipped to handle.

As we discuss our 2018 budget – literally line by-line – we have looked at items where we are good at leading, where we should follow or better yet, get out of the way.

The work of the city must be focused on essential services; among these are public safety, public service, economic development, and improving the quality of public life for all.

In the area of public safety, since coming to office I've hired 33 new police officers and 34 new firefighter/medics. And as we battle one of the worst drug epidemics in history, I have authorized 90 much-needed promotions in the safety departments, and I am pleased, that we were able to promote two new chiefs from within our own ranks: Clarence Tucker in the Akron Fire Department and Ken Ball to lead the Akron Police Department.

I want to commend both chiefs, and all of our Akron police officers and firefighters, for the incredible sacrifices they make for our community, each and every day. Please stand and be recognized. Without your commitment to keeping our community safe, none of this would be possible. So thank you.

As I discussed with you last year; we can't wait for Uncle Sam to do the right things. We must take proactive measures to secure our own future and ensure essential city services remain strong.

I am forever grateful to the residents of Akron and our business community for understanding the need to invest in our neighborhoods. This past November just shy of 70% percent of voters moved to adopt a quarter-percent income tax increase in support of police, fire, emergency medical services, and roads.

I am humbled by the trust the people placed in me to deliver on the promises made in that campaign.

In 2018, these essential city services, will receive, a long-overdue boost. New investments for the Akron Police Department include 50 new vehicles, body armor, and safety equipment, data storage for body-worn cameras, replacement of our in-car video system, and the hiring of new officers to keep pace with retirements.

The Akron Fire Department will finally replace Station #2 in Middlebury after 74 years of faithful service, replace an obsolete ladder truck, purchase a second set of protective gear for all 275 front line personnel, deploy new extractor washing machines to rid their gear of carcinogens, and maintain the highest staffing levels since 2008.

And for all of us who hate potholes and can't seem to avoid hitting them this time of year I have great news, our road resurfacing program will be tripled this year as we plan to pave 54 miles of roadway in 2018. We will invest, in our neighborhood roads, at levels unseen, since well before the recession.

To the people of this great city, I offer my sincere gratitude, for their vote to invest in our common future. You have my word, that as long as I am your mayor, I will be transparent, with how we spend precious resources, and faithful to the promises we have made.

Maintaining our infrastructure is more difficult today, without the federal and state governments as meaningful financial partners. But, we have been creative in our approaches to funding projects, and I'm proud of the partnerships we are making to ensure progress in rebuilding the city.

Our biggest public works project is the reconstruction of our sewer system to meet federal EPA mandates. Since coming to office, the total cost of the project continues to decrease, with 65 million dollars in savings so far. And we will do everything within our power and negotiate with the EPA, in good faith, to achieve even more savings

In 2017, we christened our Tunnel Boring Machine, Rosie, and sent her on her journey under downtown Akron. We expect to celebrate Rosie once more, as she emerges from her mile-long tunnel later this year.

**So, as we look to the coming year and beyond, how can we ensure that Akron is a city that thrives? One thing we know, is that thriving cities are, financially stable.**

Ensuring the ongoing financial health of this city for this and, most importantly, future generations is among the highest responsibilities I have as mayor. In 2016, the Blue Ribbon Task Force concluded that while our financial position was stable, the city was highly leveraged. The amount of debt we carry could be an unreasonable burden on our future, our growth and ultimately, our prosperity.

This comes at a time when Congress and our state legislature have cut funding to cities. The reality is that this devastating loss of funding is likely a permanent change. The harsh truth, is that no one is coming to help us.

Cities have, fundamentally, been left to their own devices to solve the most pressing problems facing communities across the nation. So, as a local government, our people look to us to do more.

And in this time of financial scarcity, we have no choice but to find new and innovative ways to continue services and meet needs.

We've taken several steps toward that goal.

We began by optimizing city assets including the recent sale of leases on telecommunications infrastructure, generating 11 million dollars and doubling the city's struggling, cash reserves. Our reserves represent our savings account and they impact our bond ratings. While we still have a long way to go, I'm proud to say, that our cash reserves, are now, at their highest level, ever. We are better prepared, to weather an emergency or economic downturn, than we have been in decades.

I've introduced operating budgets that have been smaller each year. And we know that our economy is strong and getting stronger. In 2016, Akron's GDP grew at a faster rate than any other city in the state of Ohio.

But even with the passage of Issue 4, the city requires a long-term commitment to fiscal responsibility and improving how we operate. Every year, with every budget, we must move the city towards a stronger balance sheet, including exploring additional options to responsibly monetize City assets. We have to be willing to reexamine what services our citizens need, how best to provide them, and *never* accept the excuse that "we've always done it this way."

**In addition to being financially stable, if Akron seeks to thrive our city must remain dense and connected.**

The new growth in cities around the world is coming from three major groups: younger people who are moving into older neighborhoods and urban centers; "baby boomers" seeking to downsize and locate closer to amenities; and immigrants, who are doing what immigrants have always done—clustering in cities, where they can gain strength, from their communities.

It's notable, that millennials and immigrants are also recognized as the groups who are starting new businesses in record numbers.

Bottom line: Akron needs more people, and I believe we achieve this by making a great place even better.

In February of last year we released the Planning to Grow Akron report, a data-driven analysis that sought to determine the current state of Akron's housing market and how we can manage our housing supply to create more demand. In partnership with the

Greater Ohio Policy Center and the Reinvestment Fund of Philadelphia, we established seven recommendations aimed at altering the housing dynamic in the city.

In July of 2017 City Council approved the first of these recommendations: a city-wide 15-year residential property tax abatement program to spur development of new housing and the rehabilitation of current housing.

We are beginning to see the fruits of this policy with the recent announcements of new housing developments on a scale not seen in this century, including several *downtown* residential projects and the redevelopment of the former Perkins Middle School site into 90 new, single-family, market rate homes.

Another recommendation from the Report centered around our neighborhoods and the need to create nodes of commercial and social activity. I was ecstatic to see new, citizen-led CDCs created in many neighborhoods including Kenmore, Middlebury, and my home of North Hill, made possible through the generous support of the Knight Foundation.

All the Better Block events, town halls, and community conversations, reaffirmed my belief that we need to do more to support our neighborhood business districts. That's why today, I'm proud to announce a new city-led initiative called ***Great Streets Akron***.

Great Streets brings to bear existing city resources and partnerships and targets them to lift up neighborhood business districts.

These districts serve as the geographic hubs of our neighborhoods. Many were once small downtowns with bustling streets and active storefronts. They were more than roads; these districts must return to being the center of public life for the neighborhood.

As we work with these communities to breathe new life into these corridors, we expect to see a positive ripple effect throughout each and every neighborhood. We will concentrate appropriate planning and economic resources on an initial selection of ten districts located throughout the city.

I've come to believe that a scattershot approach to neighborhood investment just doesn't work; we have to focus our efforts now if we want to achieve results. I invite neighborhood, civic, and business leaders to join the Great Streets Akron movement. I look forward to working with you to design vibrant districts that will once again become the backbone of our neighborhoods.

Planning to Grow Akron also showed us that cities grow from the core out. The single largest employment center in Summit County continues to be downtown Akron.

I promised two years ago that I would create the very first strategic plan for downtown, and I'm pleased that in December we were able to put the finishing touches on a plan that truly helps us define what our downtown can be, and will be, for decades to come.

In collaboration with the Downtown Akron Partnership, we assembled a committee of 37 representatives of large and small businesses, residents, non-profits, banking and real estate. Thanks to the hard work of this group, thousands of people shared their vision for Downtown.

The plan is divided into five development clusters: Northside, the Innerbelt, the Bowery district including Lock 3 and Lock 4, the Main & Exchange area and the area around Canal Place now called “the Southside Innovation District”.

At the same time, Akron was awarded two nationally competitive grants of more than 10 million dollars to rejuvenate downtown. Reimagining the Civic Commons is investing in public spaces, such as Summit Lake, that haven’t seen significant investment or engagement in years. And a TIGER grant from the U.S. Department of Transportation will transform Main Street from building face to building face.

I’m proud to report that the reconstruction of Main Street using people-centered design will begin this year. Yes, that means more orange barrels but I promise you will be pleased with the end result – a new, walkable, bikable, safe and vibrant Main Street that welcomes and serves all of us.

**In addition to a focus on financial health and population density, thriving cities invest in their own people.**

As I’ve said many times, Akron’s greatest resource has always been our people. From our brilliant industry leaders to our passionate neighborhood champions, residents of the Rubber City are known, for our fierce loyalty, our creative and innovative spirit, and our ability to overcome immense challenges.

As we pursue strategies that will attract new residents and expand our community, we have to increase support for current residents at the neighborhood and household level.

This year, the United Way of Ohio sought to fill a gap in the research around local economic conditions by highlighting the “ALICE” population. ALICE stands for “Asset Limited, Income Constrained, and Employed”—in other words: the working class.

According to the ALICE report, 57% of Akron households struggle to afford life’s basic necessities. Thirty-four percent are making just enough to miss out on critical support programs but not nearly enough to get ahead.

And we all know who ALICE is – these are our co-workers, our family members, and our neighbors.

It’s the single mom who works a low-wage job and struggles to afford the rising cost of child care. It’s the couple next door living in fear of the next emergency or ER visit that could devastate their finances. It’s the returning veteran working multiple seasonal jobs

to support a growing family, or the Baby Boomer who's still working because they haven't been able to save enough for retirement. All of these folks are working hard—and I mean *really* hard—just to get by.

After reading the report, I knew we needed to augment our efforts – in fact we need to do all we can – to respond to the needs of our neighbors.

The future of our community's economic and social wellbeing depends in part on the ability of working people to access the next level of financial stability for themselves and their families.

Listen, I know it may sound a little radical, but I believe we have to work to make financial empowerment and access to affordable financial services a public right. Residents should not have to overcome additional costs to receive counseling and advice on ways to better their financial future. This isn't about handouts, it's about *empowerment*, allowing Akron's hard-working families to remain self-sufficient and build wealth.

The City has formed an unprecedented partnership with the United Way of Summit County to offer *free*, financial empowerment services to Akron area residents, enabling them to access opportunities for economic advancement. Earlier this year we were pleased to announce our first financial empowerment center, located on Kenmore Boulevard. This is the first location in the city, and we plan to have more.

At these Centers, professionally trained counselors help individuals and families manage their finances, pay down debt and increase savings. They will also help clients establish and build credit and access safe and affordable mainstream banking products—all at no cost. I'd like to express my gratitude to Huntington Bank and Nick Browning for their tremendous corporate citizenship and for the donation of their building for the Kenmore center. Thank you, Nick

Additionally, through the Bank On Rubber City initiative, we are seeking to address another critical hurdle to financial stability – the lack of a healthy banking relationship. According to Cities for Financial Empowerment, 13% of Akron households are currently unbanked, which is nearly twice the national average. Another 21% are considered underbanked, leaving too many of our residents vulnerable to predatory establishments such as pay-day lenders.

Correcting this trend is no small task; it requires unraveling what is often generational mistrust of mainstream banks. Lower-income individuals have an understandable fear of financial services and fees that cost low-asset households additional funds they cannot spare nor afford. Therefore, another aspect of this work is encouraging our local financial institutions to develop products to better serve this population.

None of this would be possible without the determined and collaborative leadership of United Way CEO – and my good friend – Jim Mullen and his hardworking staff. Thank you for all you do for Akron and for your partnership on this critically important issue.

Another area of services due for a re-examination is how we provide recreational opportunities to the community. In 1969, a report commissioned by then-Mayor John Ballard in response to civil unrest validated a universal truth that providing adequate public space and recreation is, and will continue to be, an essential city service.

Among many recommendations, the report advocated for the development of a new master plan for recreation. Since then, so much has changed in the way people of all backgrounds engage in public life. A new vision and new direction is now needed.

I have directed the Department of Neighborhood Assistance and the Recreation Bureau to engage in a comprehensive strategic planning process in 2018. We have to become more innovative and grow existing partnerships, as well as establish new ones. We will seek ideas from all areas of our community, and from this work a renewed department will emerge.

Finally, investing in our people, means investing in the creative and artistic spirit, that makes this city unique.

Art isn't just 'a good thing if you can get it'—its essential fuel for a diverse, vibrant and engaged citizenry. That's why I'm proud to reveal that soon, through a partnership with ArtsNow, we will be installing four unique "Welcome to Akron" sculptures, handcrafted by local artisans, at four central gateways into our City. This stunning public art will ensure that residents and visitors alike know that, when you've entered Akron, you have arrived in a city that values arts and culture. These are true works of art, not your normal city-issued welcome signs. Keep a watchful eye and join us next month as we unveil them to the community.

**Last, but certainly not least; thriving cities have growing, entrepreneurial economies.**

Perhaps more than any other topic I've covered today the path we choose in our economic development efforts, and the strategies we deploy, will make the difference between thriving or merely *surviving*. I too often hear that if we could just hook that one big employer, and get them to come to Akron and hire thousands of people, that everything would be alright again. While I understand and respect this position, *it's simply not enough*.

The fact is that since the recession, 67% of new U.S. jobs have come from scalable start-ups and existing, small business growth. By no means are we stopping our business attraction or retention efforts, but our community needs a more balanced approach.



If we can help our local companies expand by two jobs, five jobs, twenty jobs – all that adds up to a thriving diversified and growing economy. I've always said there is no need to wait for the homerun pitch—you can win a lot of games by consistently hitting singles and doubles.

Since our founding in 1825, Akron has been known as a place where business entrepreneurs and innovators can thrive. This is where the trucking, cereal, rubber, and tire industries all began. These companies were founded by entrepreneurs who discovered resources and an opportunity to hone their talents in Akron. I'm quite certain that Akron's economic revitalization will continue to be driven by our local business entrepreneurs. And hear me clearly when I say; they will have my *full support*.

This past June, following an assessment of our innovation ecosystem, I announced the evolutionary transition of the Akron Global Business Accelerator to a new, open-innovation hub called *Bounce*. The sole mission of *Bounce* is to cluster and support innovation, entrepreneurship, and investment in Akron's start-up, corporate research, and academic communities. It will serve as Akron's "front door" for anyone who is or wants to advance entrepreneurship.

I want to personally thank Deb Hoover, board chair, and the other board members for their commitment to ensuring that Bounce delivers on this promise.

As a complement to the transformation taking place at Bounce, I hired the City's first Innovation and Entrepreneurship Advocate, a position devoted to ensuring Akron's small businesses have a voice at City Hall and a resource to ensure they get what they need. While innovation and entrepreneurship must be an important aspect of our strategy going forward, we must recognize that cities who successfully compete in the knowledge economy are entrepreneurial and collaborative.

For the past several months I've participated in a conversation about how the city, county, and chamber can work more closely together in and around economic development. The question we have asked is this: how can we coordinate resources and align long-term strategies to make Akron and our companies more competitive-regionally, nationally, and globally?

I'm pleased to report that we have agreed to a joint strategic planning process in 2018 around how best to reconstruct the way we pursue economic development in the region.

I'm grateful for my partners on this project—our County Executive Ilene Shapiro, Chairman of the Greater Akron Chamber, Don Taylor—and for Christine Mayer who had the foresight to convene this collaboration. Please join me in recognizing their tremendous leadership.

Realistically, in order for us to be a strong partner, we needed to get our house in order.

So as a complement to the city-county-chamber work, the Akron Growth Council has been meeting over the past year, helping me take a fresh look at the role of city government in economic development. This meant a critical review of the way we engage our business community and how we can best empower private development and community progress. We are examining where the city will take the lead, where it will follow, and where it will simply get out of the way.

Out of those efforts, it became clear to me and to the Growth Council: in order for the city to provide meaningful economic leadership in the broader community, our internal structure needed to change. To promote a prosperous, inclusive economy in Akron, development activities at the city have to work seamlessly together. We can no longer silo community development from economic development from the practical engineering that makes projects work

So today I am announcing the creation of a new City Office of Integrated Development that reorganizes the way we do business with business and the way we create a sense of place in our neighborhoods. It will bring together the departments of Planning, Economic Development, and elements of the Engineering Bureau. In coming together, the City will better focus its human and financial capital to generate greater community impact. We have to become more intentional with our efforts and more strategic in our investments.

I've asked my Chief of Staff, James Hardy, to lead this new office as the city's first Deputy Mayor for Integrated Development. His charge is to work with me, the Growth Council, and city staff to unite these important functions under a common strategy and to improve outcomes.

To the business, neighborhood, and community leaders in the room: expect to see a difference in the way we engage and—most importantly—the way we respond. Through the Office of Integrated Development, our plan is to be more transparent more accessible and better prepared to work alongside you in building this great city. And this new approach is showing results.

Last month, after a quiet national search, Devin Wenig, president and CEO of eBay, joined me to announce Akron as the *first* U.S. city selected to take part in Retail Revival. Together, we will embrace Akron's small to medium sized retailers and provide them with the tools and support necessary to succeed in the global marketplace.

The response so far has been overwhelming. We expected to enroll 30-40 businesses in the initial Retail Revival program, but due to the high number of applications, I'm proud to announce that eBay has generously agreed to accept 120 businesses into the 2018 program.

I'd like to thank our incredible partners at eBay, many of whom are with us today for their commitment to Akron and for their leadership in working to ensure that main streets across our country see the benefits of technology.

Tomorrow, the Retail Revival Program kicks off at the Well, let me give you a preview of what our businesses will see...

(eBay video)

As I reflect on the accomplishments of the past two years and our plans for 2018, this is what I see: a renewed investment in our neighborhoods, a deeper commitment to engaged public life, a growing population, improved financial footing, and the implementation of an economic strategy that prioritizes local business growth and empowers our entrepreneurs. Experience teaches us that this is what thriving cities do.

And when we think of thriving cities, we have to ask ourselves: “Why not Akron?” Why can’t we be the model of a thriving American city in the 21st century? Nothing stands between us and a healthy, prosperous future but our own willingness and ability to adapt.

If we continue on as if the world has not changed, then our next chapter has already been written for us – steady population decay, an economy that sputters forward, and neighborhoods that feel more and more forgotten. I don’t know about you, *but I refuse to manage this city’s decline*. Akron will not write that story, not while I’m mayor.

But if we face this new, modern reality with a commitment to do whatever it takes to thrive, I firmly believe that our potential is unlimited. It will require many of Akron’s institutions—both public and private, small and large—to transform the way in which they operate.

**As your mayor, I am asking each and every one of you in this room, when you leave here today, to go back and take a good hard look at your organizational and individual strategic plans and ask yourselves the tough questions.**

Is your organization prepared to accept the challenges and opportunities of an entrepreneurial economy? Are you willing to take risks, get uncomfortable, and get aligned to help us overcome community-wide obstacles, to see Akron take its rightful place as one of the great, thriving cities of this generation? Or... are you and your organization on a path to continue to do things the same way you’ve done them for decades? If your first reaction to my request is a twinge of fear or discomfort – that’s perfect, that means you’re taking the first step.

**For my part, I am committed to doing whatever it takes to ensure that city government becomes more focused, more entrepreneurial, more collaborative, and more adaptive. I believe in my heart, we have no other choice.**

Achieving success, over the long haul will require persistence and sacrifice. In Akron, we’re known for taking on new challenges with the grit, determination, and ingenuity, worthy of a city born of innovation.

And, after visiting every Akron neighborhood and interacting with all sectors of our economy over the past two years I'm more convinced than ever that most of us will chose to adapt and thrive. So, I'm asking, that you join me on this journey.

Yes, change is hard. Yes, change is scary. But it's the only way, to drive progress. We have to face this new day together.

And trust me, I know that Akron can rise to the occasion. I was born here, I fell in love here, I raised my family here, and I plan to live out the rest of my days right here. I cry alongside you at our losses and I rejoice with you in our victories. I stay up nights worrying about our City's future. And I wake up each day to live and breathe every single one of this City's ups and downs.

Akron is my home. I will fight for this City, all the days of my life.

I know Akron has what it takes to do more than just survive, we can and we will thrive. I've pledged to do all I can, now I'm asking you to do the same.

Let's write Akron's next great chapter, together.

Thank you.