

## **State of the City – Iowa City, IA; 2/19/19**

Council members, City Manager Fruin, City staff, residents, and all others who have an interest in Iowa City.

People routinely ask me how things are going in Iowa City. I tell them, and tell you now, the big picture is clear: in general, our city is doing great; it is exceptionally strong and healthy. Here are just a few indicators:

- The city's population grew to a little under 76,000 people in 2017;
- At 8%, our unemployment rate is the second lowest in the country;
- The annual average dollar value of new construction in 2018 was the city's third highest in the past 10 years;
- The City's property tax levy went down for the 7<sup>th</sup> straight year; and
- City government's Aaa Moody's bond rating, the highest a city can have, indicates your City's finances are being managed exceptionally well.

One key reason why our city is doing so well is the high quality of work done by City employees. Open your faucet, and high-quality water produced at the City's Water Plant comes pouring out. Flush your toilet, and wastes flow through City sewers to the Wastewater Plant for treatment. There's a fire in your house. Who you gonna call? That's right: "Fire busters" in the City's Fire Department. With that in mind, I want to thank all our employees, especially those who have been working outdoors over the last six brutal winter weeks, for the great work they do.

But indicators and good work do not tell the whole story. Not everyone shares equitably in our city's prosperity. Forty percent of the School District's elementary school students participate in the Free and Reduced Lunch Program, which is a surrogate measure of poverty, and there are vast differences in FRL rates (from 9.3 to 78.8%) among our elementary schools. Sixty-five percent of renting households pay more than 30% of their income on housing. Some Iowa Citians feel threatened because of their race, ethnicity, or faith. Some also find it very difficult to travel by public transit from home to work and other important destinations. And we are all called upon to respond to the unfolding consequences of climate change.

With all this in mind, our task over the past few years has been to ensure Iowa City continues to prosper while also ensuring that the benefits of that prosperity extend to all of our residents for years to come.

I could belabor the many ways in which we have tried to accomplish this broad goal, but what I want to do now is focus attention on some of the major actions we have taken over the past three years to create a more inclusive, just, and sustainable city.

Please take a look at the images shown on the screen while I speak. [A series of Power Point slides with photos and a brief amount of text was shown while I was speaking during the formal meeting.]

**Completing Flood Recovery Efforts.** Good cities are resilient and bounce back from disaster. The best ones bounce back better than they were before. No doubt many of you remember very clearly the devastating flood of 2008. We bounced back from it in several ways. We essentially completed work on a series of flood recovery projects, most notably: construction of the 3-year-long Gateway Project elevating Dubuque Street, building the new Park Road Bridge, rebuilding the intersections of Dubuque with Kimball and Park Roads, and installing a much-needed sewerage trunk line under the roadway. We moved sewage treatment capacity from the old North Wastewater Treatment Plant to the South Treatment Plant, and then replaced the North facility with a new Riverfront Crossings Park. We completed construction of the West Levee south of Highway 6. And we completed buyouts of 140+ homes in the floodplain, almost all of them in Parkview Terrace.

**Investing in Affordable Housing.** Far too many Iowa City residents have great difficulty finding residences they can afford. We undertook major efforts to address this difficulty. In June 2016, we adopted the State's most ambitious Affordable Housing Action Plan. This Plan identified 15 strategies to generate additional affordable housing in Iowa City, and we have made considerable progress with regard to almost all of them. We adopted an inclusionary zoning requirement for the Riverfront Crossings District. In Fiscal Years 2017 through 2019, we directed a total of \$2.65 Million into a new Affordable Housing Fund, and there is another \$1M in the proposed FY20 budget. Fifty percent of those dollars have been allocated to the Housing Trust Fund, which subsequently used some of those funds to help build the recently-opened 24-unit Cross Park Place for chronically homeless people. We approved an agreement to use \$1.08M of Housing Authority funds to purchase 6 units of rental housing in the new Augusta Place development on Iowa Avenue. We amended the City's Comprehensive Plan to require that 10% of the residential units must be affordable in new developments which include 10 or more housing units and which voluntarily seek annexation into the city. We approved an infrastructure TIF on Foster Road, which is likely to generate \$2-3 Million over a 10-year period for assisting low-and-moderate income family housing anywhere in the city. We have also been approving a large number of new mixed-use and multi-family structures that, by the end of 2019, will have increased the total supply of housing in Iowa City by more than 4,000 units since 2015. This additional supply has been increasing rental vacancy rates substantially and has been, in the short run at least, been putting downward pressure on rents.

**Helping People in Crisis.** Far too many people are in crisis due to alcohol or drug abuse or mental challenges. We took major steps toward helping them bounce back. These steps have included, first, ensuring that all our police officers receive Crisis Intervention Training; second, helping Shelter House construct its recently-opened Cross Park Place facility; and third, collaborating with the County, the University, Coralville, and others to facilitate development of a new Behavioral Health Access Center for people in crisis rather than have them treated roughly and then taken to a hospital emergency ward or the County Jail. Partly because of these actions, the average daily population in the County Jail decreased from 109.6 in 2015 to 88.5 in 2017 and \_\_\_\_\_ in 2018.

**Improving Racial Equity.** We live in a city, which, like all American cities, has been deeply shaped by racial inequities. We have taken several major efforts to reduce those inequities, including: creating a \$75K Social Justice and Racial Equity Grants Program; using Racial Equity Toolkits to assess the racial equity of various City programs; diversifying the City's workforce, boards, and commissions; continuing the City Manager's Roundtable and Annual Equity Report; and contributing to the Civil Rights Tour of Historically Black Colleges and Universities, museums, and sites that have been important parts of black and American history. Under the direction of Police Chief Jody Matherly, the Police Department has been aggressively striving to reduce disproportionate minority contact involving discretionary charges in non-traffic related incidents, and to reduce disproportionality identified in the St. Ambrose University's annually updated traffic study regarding traffic stops, searches, and arrests. Moreover, we stood with our Hispanic neighbors by adopting a resolution reaffirming the public safety functions of local law enforcement and by linking up with other cities to challenge the legality of Presidential executive orders pertaining to "Sanctuary Cities." We supported residents who are refugees or immigrants from Sudan, the Democratic Republic of Congo, and elsewhere, by joining other cities in court cases challenging the legality of the President's proposed travel ban from predominantly Muslim countries.

**Changing the Built Environment While Preserving Our Heritage.** As could easily be seen in the physical landscape, new private and public construction proceeded at a very lively pace over the past three years: the annual average dollar value of new construction for 2016 through 2018 (\$266M) was 65% greater than the preceding three-year period. Most of this new construction took the form of apartment buildings, hotels, and mixed-use projects. Many Iowa Citians wonder whether so many new apartment buildings are needed. After all, rental vacancy rates have increased from ~1.4% in 2015 to 4.4% in 2017 and maybe as much as 7% now. But it is also true that the City's population has grown by about 10,000 people (15%) since 2010. These new residents have needed good places to live, and we anticipate this growth in population will continue.

In addition to projects mentioned earlier, City government completed several major public works projects, most notably: the First Avenue railroad underpass, which has greatly increased accessibility for businesses and residents in the southeast side of the city; and renovation of Washington St. and the first phase of the Pedestrian Mall improvements downtown.

We have also changed or begun changing rules pertaining to development in two key parts of our city. In response to the State Legislature's 2017 pre-emption of local authority as well as to ensure a healthy balance of rental- and owner-occupied units in neighborhoods located close to the University, we developed a new rental permit cap program and strengthened the minimum requirements for rental housing. We also are crafting new rules for the area near Alexander Elementary, which will enable us to develop a diverse and walkable neighborhood containing "Missing Middle" housing while also streamlining the overall development process.

With the help of the Historic Preservation Commission and property owners, we also took major steps in preserving our historic heritage. This included approving nine historic district rezonings; preserving the Unitarian-Universalist Church; and hiring a consultant to inventory historic structures downtown. Last fall, the consultant recommended that we nominate downtown Iowa City for listing on the National Register of Historic Places, and that we work with interested stakeholders on the possibility of establishing a local historic preservation district for part of downtown.

**Building and Renovating Schools.** High quality public schools are necessary for a thriving city and healthy neighborhoods. We adopted a resolution supporting the Iowa City Community School District's bond referendum, which has led to the construction of Alexander and New Hoover Elementary Schools, the first new such schools in Iowa City since 1994. Likewise, the School District has completed a superb addition and renovation at Longfellow School; and, with considerable input from City government, has been making excellent progress toward completing additions and renovations at Lincoln, Mann, and other schools in Iowa City.

**Taking Climate Action.** Global climate change has been producing warmer temperatures, stronger winds, changes in plant communities, more frequent and intense severe weather events and flooding. With great help from a Steering Committee of dedicated volunteers, last September we adopted a Climate Action and Adaptation Plan, which maps a pathway toward reducing carbon emissions generated within Iowa City by almost 30% in 2026 and 80% in 2050. Greatly assisted by MidAmerican Energy's big shift toward wind energy, we have almost achieved the 2026 goal already. We also adopted a new Master Parks Plan and a new Bicycle Master Plan, both of which will help us reduce carbon emissions, adapt well to a changing climate, build a more vibrant and walkable urban core, and foster healthy neighborhoods throughout the city. Work on the parks has included completing the first two phases of Riverfront Crossings Park and improving Happy Hollow, Pheasant Hill, and other parks.

Looking ahead to the remainder of 2019, we are collaborating with neighboring cities and the University to initiate a much-needed study of public transit routes and hours of operation. We expect to revise and strengthen our Affordable Housing Action Plan. We will finish work on the Ped Mall improvements downtown, build an extension of McCollister Blvd. from S. Gilbert to Sycamore, and initiate the first phase of a new Public Works facility on Sand Road near Trueblood Park. This new Public Works facility will include a substantial array of solar panels for generating carbon-free electricity. We will also make steady progress toward achieving goals in the Bicycle and Parks Master Plans, including completing 4-to-3 lane conversions on Clinton and Madison Streets and completing renovations at Creekside and Willow Creek Parks. We will make final decisions pertaining to the Pentacrest Gardens project at 12 Court St. And much more.

As this quick overview indicates, we have accomplished a great deal over the past three years and more will be done over the coming year. But, as the poet John Donne wrote: "No man is an island entire of itself." The same could be said about a city. Like all other cities, Iowa City can be thought of as a node in a *global-scale network of links* through

which people, goods, services, energy, materials, capital, information, environmental nutrients, and social relationships flow. We are, therefore, inevitably affected by the global economy, by transnational movements of people, by changes in the global climate, and by actions at the national and state levels.

For the past two years, actions taken by some political leaders at the state and federal levels have threatened to undermine the values that make Iowa City such a great place to live, especially its openness, diversity, inclusivity, and spirit of democratic engagement. As a result, we have been challenged to adjust at least temporarily to new realities without losing our moral compass.

And yet, there is cause for optimism. Your city is doing great, and we, even as we passionately debate about local issues, we Iowa Citians have demonstrated a very strong desire to strengthen bonds of community across racial, ethnic, religious, and political divides, and to stand strong together in solidarity with everyone who is at risk.

Last year, I closed my speech by encouraging us to “lead with love” and, by leading with love, help build the Reverend Martin Luther King, Jr.’s “beloved community” right here in Iowa City. Let me close tonight by showing you a few photos, which provide good reasons to believe we are doing just that:

May 2016 Lucas Farms Neighborhood bike tour;

August 2016 Farm to Table event, N Linn St;

September 2016 Cyclo-Cross World Cup;

June 2017 Downtown Block Party, Dubuque St;

June 2017 Wetherby Park Block Party;

June 2017 Arts Fest Carnival Parade, Washington and Clinton Sts;

June 2017 Longfellow Neighborhood Porch Party;

June 2017 PRIDE Parade, Washington St.;

July 2018 RAGBRAI, Clinton and Iowa;

September 2018 Latino Festival, S. Linn St.;

U of Iowa October 2018 Homecoming Parade, Washington St.

Let’s keep it up, and thereby ensure that Iowa City will thrive long into the future.

Thank you.