

## ICYMI: Mayor Mike Duggan's 2017 State of the City Address - Detroit Experiences | Detroit Opportunities



**On February 21, 2017 at 7 p.m. at Focus: HOPE Mayor Mike Duggan gave his 2017 State of the City Address.**

### **Read the full transcript of the speech here:**

Well, thank you. Every politician has a fear they're going to come to the speech and nobody's going to be there. I want to start by thanking Jason Lee and Focus: Hope for hosting us here tonight, and thank Focus: Hope for their nearly 50 years of service to our community. I want to start with a special word to Janice Winfrey, who I wasn't expecting to see here tonight. She woke me with an early phone call after yesterday morning with the really devastating news that she just lost her father, who she was very close to, and she said she didn't know if she could be here tonight, and I was surprised to see her, and Janice I want you to know we're really glad you're here and our thoughts and prayers are with you and your family. God bless you.

20:25 And I want to thank my partners on Detroit city council. It's interesting, when I talk to my fellow mayors and we talk about State of the City speeches they're all curious about why I have city councilmembers on the stage. Apparently that's unheard of in other parts of the country, but I tell them here in Detroit, we're rebuilding the city as a team. It's the mayor and the council together and our goal is to build Detroit in a way that includes everybody, and that means all of our talents, the mayor and the council have to be included in those plans and at this point I'd like to introduce my partners starting with our great council president, Brenda Jones. Councilmember Janeé Ayers. Councilmember James Tate, I think you got a bigger cheering section. Councilmember André Spivey. Councilmember George Cushingberry. Councilmember Mary Sheffield. Councilmember Raquel Castañeda-López. Councilmember Gabe Leland and our clerk, Janice Winfrey. And Scott Benson is out of town or would be here tonight.

22:00 But, because of our partnership, there is a great deal more hope in the city of Detroit than when I delivered the first State of the City three years ago. Remember how things were back then? After 12 straight years of deficits, the city was finally in bankruptcy and our retirees were rightfully afraid they were going to lose a significant part of their hard-earned pensions. Many of the police precincts had been closed and consolidated and the ones that were open, weren't open past five o'clock and took a half hour if you called 911. Many nights there were only eight working ambulances in this town and you didn't know when medical help would arrive. Overgrown grass covered not only vacant lots but the parks in the city that

had all been closed that previous summer. And nearly half the street lights in the city were out and nearly half the buses were sitting broken down in the garages. And those first few weeks, just when I thought nothing could get worse, I turn on the TV one night and there was a reporter on TV asking people to please come to the local fire house and donate toilet paper because the city of Detroit couldn't figure out how to get toilet paper to their firefighters. And I thought, "How dysfunctional do you have to be not to be able to get toilet paper to firehouses?"

23:40 When Kevyn Orr departed and we left bankruptcy in December of 2014, a lot of people predicted that Detroit would be right back in the same financial problems and we couldn't manage our own affairs. But instead we finished 2015 with the first balanced budget in 12 years. And then last year we finished with the second balanced budget, and this June we're going to finish with the third balanced budget. And I fully expect in early 2018 we will be permanently out from financial review commission oversight because we will have made budget and paid our bills for three years in a row. Self-determination will be back.

24:15 And we balanced that budget while cutting emergency response time for police and EMS in half. By getting the 65,000 street lights on, while reopening all 270 parks, while demolishing 11,000 vacant buildings, and getting another 5,000 occupied. And with the help of the great DDOT drivers and mechanics and office staff, we're not only achieving full pull out, we're riding 1,300 more trips a week to the people of this community.

So we know we've got a long way to go, but I want to take a minute to introduce the cabinet who's been working on this. Most of the year all they hear from me is why they're not doing more. So this is the one night of the year they get some recognition. If you see somebody, please tweet them, they really enjoy that. Let's start with our great chief of police, James Craig. I'm going to ask you to hold your applause to the end or my speech will be over when we're done. Alexis Wiley, our chief of staff. Dave Massaron, the deputy chief of staff. John Hill, our chief financial officer. Beth Niblock, our chief technology officer. Butch Hollowell, our corporation counsel. Charlie Beckham, the head of our department of neighborhoods. Eric Jones, our fire commissioner. Dave Manardo, the head of operations. We have Dan Dirks, who's running DDOT. And we have Denise Starr, I knew that I shouldn't have looked at my page, head of HR. Gary Brown, the head of the water department. Portia Roberson, civil rights director. Lisa Howze, our government affairs director. Jed Howbert, who runs the economic development. Arthur Jemison, our housing director. And our newest cabinet member, Joneigh, please stand up. This is her first week on the job. Joneigh Khaldun, our health director. Whose family is from Detroit but she went out to Penn for medical school, was working in the city of Baltimore as a nationally-renowned leader of the health department and has come back to her home and is now leading the health department of the City of Detroit. Please give a big hand to the entire cabinet. And I also want to take this time to thank the 9,000 men and women who work for the City of Detroit. Aren't they doing a remarkable job?

27:14 So that pretty well gets us to the conclusion of things we've already done. I don't really want to talk about what we've already done. I want to spend the rest of the night talking about what comes next. We improved the basic services. But if we're going to fulfill the vision of building a Detroit that includes everybody, we've got to do a whole lot more. So I hope the staff will forgive that we won't spend a lot of time on the past but instead talk about the things that we're going to do.

28:00 We're going to spend tonight talking about what comes next. And you can't have a recovery that includes everyone if there aren't jobs available for everyone willing to work. And the unemployment rate in Detroit has gone down from 18 percent three years ago to 9.8 percent last month which sounds like a great accomplishment. But at 9.8 percent it still remains the highest unemployment rate of any city in the state of Michigan. We have a whole lot of more work left to do. And so our next step starting tomorrow, we're attacking the problem by creating a whole new platform which we're calling Detroit at Work.

28:31 The Detroit at Work website is live now on the city's webpage and it links you to training programs. But here's what different about what's happened in the past: this time, we went to the employers in this city and we said to them, "What jobs are you hiring for? Tell us where the vacancies are right now." And then we went to the training programs that were training for those jobs so people knew: if I actually went through this program, there will be a job for me at the end of the line. And that's all we're going to do, put in training programs where we know there's a job.

29:09 And it's interesting in this world how you hit on these ideas. It came out of a training program we started out of the Ryan Correctional Center for returning citizens. Something Councilmember Janeé Ayers was a sponsor of. And what we are doing is taking returning citizens six months from being released, we have 3,000 people a year released from the prisons in the state of Michigan and come back to the city of Detroit. And if we don't have something productive for them to do, we know they're going to get right back up to what they were doing before. So we got together with the State of Michigan and said, "Let's identify people six months before they're getting out and we're only going to train them for jobs we know exist." And so we talked to our employers. Hi-Lo operators in warehouses, you get a certificate to be a Hi-Lo operator, they can't fill them. Lead abatement specialists that take out the lead to renovate the houses so we can rent them out in the city, you need special training, and you get a certificate. Food and line prep cooks for all the restaurants that are opening in the city also, I didn't know this,

but you get a certificate for that. And asbestos removal prior to demolition is also a job with a certificate.

So what we did was set up training programs and we went to the folks in the prisons and said here's four choices. And you can get good jobs, \$14, \$16, \$18 an hour if you want to work hard. And the response was remarkable. And so we did an event at Ryan Prison where we announced this and there was a young man who stood up. And he was all excited, he stood up, he says, "I'm 25 years old," he says. "And the first job training I've ever gotten in my life was here in prison." He says, "Now I wouldn't recommend that to anybody else," He says. "But it does seem odd that you have to go to prison to learn your skills." So I talk to him afterwards and I say, "This is interesting, why couldn't you have gotten into a program before?" He says, "You know you got all the schools out there advertising, you got all these programs out there, you don't know if there's a job or not. But what you did here was you came to us and said here are the jobs they're hiring for and here's the training program and were excited to sign up!" He said, "If you were to do that for everybody else in the city, it would be very successful."

And so based on the advice of that returning citizen, we have kicked off today Detroit at Work on the city website and it's going to be the portal by which people in the city get a clear path to jobs. So Jeff Donofrio, who's doing a great job running this program, is sitting down with the different employees. And they're now all on this workforce board, the Detroit at Work board. And the hospitals come in, the heads of DMC and Henry Ford and St. John's. We say, "OK, what have you got?" They say, "We have all kinds of entry-level jobs that we can't fill, whether they're patient care assistants or people working the cafeteria or people to push folks in the wheelchairs." And we said, "How can you not fill these jobs in this city, we've got such high unemployment?" And they said, "The biggest problem is we can't get transcripts, high school transcripts, from the Detroit Public Schools. You can't hire somebody under a hospital if you don't have the transcript." And Jeff said, "That can't possibly be true." And so they went over to the Detroit Public Schools. And you know what they found? One million paper transcripts, in a warehouse, in a school run by an emergency manager, who was dealing with everything he or she could at the schools. It took two to three months every time a hospital sent a request for a transcript. By the time they got the transcript, somebody else got the job. You say, "How many barriers do we have to erect in front of the folks in this town?"

But this is what Detroit at Work is doing. So we dug into the problem and said, "OK we're going to solve this." We approached the interim superintendent, Alycia Meriweather, an educator in charge of the school system. And she got really mad. She said, "These children made it and graduated and they're not getting the credit." And she told her people, "We're putting a process in place where they electronically track every request and we got them down to three or four days, which is progress." But when we took it to the Detroit at Work Board, they said, "We can do better than that." So Matt Simoncini, the head of Lear, says, "This is ridiculous, we need to digitalize it." So he says, "I will buy the scanners and donate them to the Detroit Public Schools so that we can make them electronic." So we said, "Well OK, but who's going to scan these million pieces of paper?" Well, only one person in town had that many people, so we went to Dan Gilbert. And we said, "Dan, we need people to do this." He put out the call to the Quicken employees. They had nearly 500 employees willing to donate their time. Every day over at DPS, you got 10 or 20 Quicken employees volunteering their time, putting these transcripts in so the high school graduates in the city of Detroit can get jobs.

34:30 This is the way we work as a community. Council President Brenda Jones has headed up the effort on the Skilled Trades Task Force for years but, it has just been so frustrating to get men and women of color to have opportunities to be in the trades. And so, when the city does projects that it supports, we have a requirement that 51 percent of the hours worked actually be done by city employees. And since Portia Roberson has taken over, she actually goes out every two weeks and audits the books. We started finding people who weren't making their numbers. We started to collect money and fines. But they weren't getting employed. Portia comes in one day and says, "You're not going to believe this." She says, "At the hockey arena site today they've got 120 plumbers working on-site." I say, "OK." She says, "There's only 58 licensed plumbers in the city of Detroit. If they hired every single one they wouldn't make 51 percent." We've got to change this program from a fine collecting program to an employment program. So we sat down with the plumbers union and we said, "What can we do differently?" We want to get Detroiters into these training programs. And we struck an agreement with the plumbers who represent all of southeast Michigan, signed an agreement that 25 percent of everyone in their apprenticeship classes for the next ten years, at minimum, will be Detroit residents. And they've committed to tripling the number of plumbers in Detroit over the next ten years. And then the carpenters came in and said, "We want to do the same thing." And the carpenters signed the same agreement. And now the carpenters and the plumbers are out recruiting in Detroit. And I got a chance to go to the last plumber's apprenticeship class. And I got to see such a diverse and excited group of future plumbers and it was amazing. And speaking to them was a woman by the name of Adrian Bennett, the first African-American female master plumber in the state of Michigan. And she's now a plumbing contractor. And she's there to say, "Being a plumber is a good thing, but being a contractor is a lot better. You all need to be thinking about going into business." And she had them all fired up about going to start their own businesses.

36:53 These are the things that we can do when we're working together. So on the

Detroit at Work website today, we've got 700 different training slots. A lot of trainers, including Focus: Hope. And it's things like CDL drivers who can drive buses and snow plows. It's apprenticeships for software developers. It's code writing training. It's the construction jobs, food prep workers, hospital patient care workers. All those jobs that are available now are on that site. And after the action for Detroit City Council today, in support of the first step of our next project, very shortly the Pistons will be on that website hiring people from the city of Detroit.

Because, you know, for those of us who have been around a long time, I remember how heartbreaking it was when the Lions left, the Pistons left. And of course Mayor Coleman Young kept the Red Wings here by building Joe Louis Arena, and I was involved with Mayor Archer in the 1990s in bringing the Lions back. But I never thought I'd see the day that we're going to see this October when the first time in more than 40 years, all of Detroit's professional sports teams will be playing in the city of Detroit.

38:22 And I also want to thank the business community for the enormous support of Grow Detroit's Young Talent. Last year, we hired 8,000 young people for summer jobs. This year we've already got nearly 5,000. And so to the young people in this community, for the summer jobs there are this summer, the open enrollment is ongoing and this year we've got hundreds of employers who are looking to improve what they're doing and actually create more traditional internships, link you to jobs that you might be interested in. And you're going to have to go through interviews, but there's a reason last year JPMorgan Chase named the Detroit summer jobs program the best summer jobs program in America. So please, you've got another six weeks to apply. Employers, we always could use more help. But we want to make this the best summer ever for our children.

And our youth are also being supported in their aspirations to go to college. Last year, the Detroit Promise made our city the first major city in America to offer two-year free college tuition to anybody who graduates from one of our high schools to go to two years of community college. More than 600 young people started community college last fall with the support of the Detroit Promise. And I want to thank the Greater Detroit Chamber of Commerce, the philanthropic community and Governor Snyder, who were all actively involved in raising money for this program.

39:54 So, what happens next? This year we're extending the program. And now, for those who are really diligent in their studies and exceed 3.0 grade point average and a 21 ACT, this fall, four years of college education will be paid for by the Detroit Promise. And so, if you're 10 or 12 or 14 years old and you want to go to college and you think it's out of your reach, it's not. The Detroit Promise is funded and it's going to be here long-term. If you apply yourself, college is going to be available to any resident of the city of Detroit who graduates high school, it's one of the privileges of growing up in the city of Detroit.

And the need for providing our children education opportunities is the reason I have so strongly opposed the State School Reform office proposed close of 24 Detroit Public Schools. You know the state emergency manager ran those schools, for the years that were measured. When they came in and said that the schools were failing, we already knew that. The new elected school board, with President Iris Taylor, had been in place for six weeks. They haven't had an opportunity to address the problem. And they're not saying these schools are where they need to be. They know they need to be turned around. But here's what I know for sure: we have 110,000 school children in this city, which means we need 110,000 seats in quality schools. Closing a school doesn't add a single quality seat. All it does is bounce our children around from place to place. But before you close a school, you need to make sure there is a better alternative. And I've been encouraged by the conversation between the school board leadership and the governor's office this week. I'm optimistic we're going to work things out. But I want everybody in this community to know that I will be standing with President Iris Taylor and the school board on this entire school closure issue.

42:25 And another group I'll be standing strong in support of is our immigrant community. And I know Detroit City Council feels the same way I do. Councilmembers Raquel Castañeda-López and André Spivey have chaired the taskforce on City Council and we've been partners from the beginning. And so, to the immigration community on the question of what's next? I want to be clear: Detroit is going to stand as a pro-immigration, welcoming city. We're not going to waver from that.

I want to take a minute to talk about what's happened because there have been some media reports that I think have caused some unnecessary anxiety. Ten years ago this city adopted an anti-profiling ordinance that said Detroit Police don't do the job of Customs and Immigration. If you run into them on the street or the police station they will not ask you for your citizenship. They do not profile. That policy has been included in every police training academy for the last 10 years and it is core to who the Detroit Police are today and it has not changed. And with the strong support of Councilmember Castañeda-López, over the last three years, you look at what we've done. We've created the first ever Office of Immigration Affairs with Fayrouz Saad as our director. We became certified as America's 41st welcoming city for our progressive policies on immigrating immigrants into the community. We've increased the hiring of bilingual staff and were putting out our documents in multiple languages. Last year we became the second city in the state of Michigan to offer municipal IDs for those lacking documentation and we've welcomed more than 50 Syrian refugee families into the city of Detroit and they've

come here with nothing but acceptance because that's who we are as a city.

44:37 I want to talk to another group of Detroiters who are feeling vulnerable tonight. Those people living in affordable housing who are afraid they might get pushed out of their homes to make room for wealthier residents. What's next for you? I want you to know that this mayor and this council are going to do everything within our legal power to keep your housing affordable and to keep from anybody moving you out.

So, I really became aware of this in 2013 when I was campaigning and I came to a senior center over on Griswold street and the seniors were kind enough to interrupt their bingo game to talk to me, which doesn't happen every day in this town when a politician comes in. And we spent a special afternoon as they told me about raising their families in the city and how much they enjoyed being there. A month later, those seniors got a notice. They were all being kicked out of their affordable housing because the building had been sold. And I said, "How can this happen?" And the administration's reaction was basically to shrug like nobody cared. And I said, "How can you not care?" And the way affordable housing works in this country is HUD, the federal government, enters into long term contracts with building owners where they say, "We'll pay a part of the rent and your tenants who can't otherwise afford to live there will pay the rest. We'll sign an agreement for 30 years so you know when these things are happening." Well the city, you'd think, should've known because it was a 30-year deal that ran out, and nobody did anything while they sold the building. And when I looked at it and found out we had 50 buildings with 5,000 people in affordable housing set to expire in the next five years. In other parts of the country there's an active housing program. And so one of my first priorities was to recruit someone who knew housing. So we got Arthur Jemison, one of the national housing experts, came from Boston, Massachusetts. When I showed this to him I said, "We got to find a solution to this." And he came back pretty shortly after this and says, "We got a problem." And I said, "What's your problem?" He says, "We got two more buildings right next door on Washington Boulevard. Same thing's happening. They're expiring, the building's going to be sold and were going to have 165 people in downtown Detroit kicked out." He says, "Let me tell you the bad news." and I said, "There's something worse?" He says, "Yeah, you know the people kicked out of 1210 Griswold? Several of them came over to these buildings. They're about to get kicked out again." I said, "There is no point in being mayor of this city if you can't stand up for people who are otherwise being pushed around."

47:18 And so we were very lucky in that we had a great group, the Roxbury Group, David Di Rita moved forward and said, "We'll buy the building and keep everybody in it. You just have to do one thing: the contracts with HUD are expiring. You've got to solve the HUD bureaucracy and keep the funding going." So Arthur and I intervened with the Obama administration, who were enormously supportive. They got the approvals done and those 165 people are staying in those apartments. We are not having a city where one section of the city is only available to the wealthy and the other sections are left for others. We are going to have a city where anybody can live anywhere and now Arthur Jemison and the team are working through every single one of those houses. We've already solved four different ones with 600 residents that have been locked up long-term and we're taking care of each and every one of them.

48:39 But it's not just enough to preserve the affordable housing we have. Because as rents rise in this city, we're going to need to have affordable housing everywhere. If we believe that every part of this city should be available to everyone, we need to act. And so we made a commitment as an administration, that it doesn't matter what part of town you're in, we're going to be committed to building affordable housing. And in the last three years we've opened up seven new affordable housing units. The 48-unit Coronado Apartments in Palmer Park. The 47-unit Garden View on the westside. The 54-unit Strathmore in the heart of midtown, two blocks from the DMC. Twenty-seven units on Charlotte for homeless veterans just two blocks from the new Little Caesars Arena. This city is big enough that there's room for anyone, even homeless veterans, even in the nice neighborhoods. Forty-six units in the Jennings Senior Center on the city's east side. Forty-seven units in Cass Plaza on Davenport. And 38 units at the Trey more Apartments in midtown. And I went and cut the ribbon at the Trey more and as I left, a man came up to me and he had two beautiful girls with him, maybe two and five years old. He said, "I want to shake your hand." I said, "It's nice to meet you." He said, "I was born in this city. I love this city. But a few years ago I had to leave because I couldn't have my daughters here." He said, "I found this apartment at an affordable rate so someone like me can afford it, move into this beautiful neighborhood, and have a place for my daughters. So I want you to know, I just signed a lease, I'm moving back into the city with my daughters in midtown Detroit." That's what we're trying to build.

50:15 So what comes next? We have eight more housing projects already under construction, 300 more great partnerships, including the faith-based community. I want to thank Rev. Charles Adams in Hartford for the new Hartford Village on Meyers. And what else comes next? I want to say right now we fully support the affordable housing ordinance sponsored by Mary Sheffield now before City Council. It will assure you that no matter what neighborhood you're building in, if the city is supporting your development at least 20 percent of your units are going to be set aside for low-income housing. We are going to build a city where there is a mix of incomes in every corner of the neighborhood and we're going to be working hard because what Councilmember Sheffield has done is taken policy of the administration and making it the law of the city and I want to congratulate her for

her efforts.

But as we all know, the recovery of Detroit is going to be defined by our neighborhoods. And I ran a campaign where I said every neighborhood was going to have a future and nothing is sucking the life out of our neighborhoods more than the abandoned homes. In 2017 we are going to speed up the demolition of homes and we're going to do it in full compliance with all federal and state regulations. So in the last three years we've taken out homes at a rate no one's seen in America: 11,000. The second largest demolition program, in the state of Ohio, a respected program, took down 4,000. We took down in the city of Detroit triple the rate of the state of Ohio. It was productively an amazing accomplishment and I pushed it, there's no question. Watch what's happening in these abandoned homes. We've had women assaulted in abandoned homes. We've had abandoned homes that have caught fire and spread and made the neighbors next door homeless and smoked them out. We've had an abandoned home in southwest Detroit that when a scrapper was in there, exploded and took out four other houses in the neighborhood. So when I look at these abandoned houses, to me, getting rid of them is a matter of life and death. And I put enormous pressure on the land bank to move very very fast. Probably faster than they had controls in place so the feds shut us down for 60 days last summer and they were right to do it. But we didn't make any complaints, we didn't whine about it. We sat in a room, put new processes in place and I want to thank Mary Townley and Erica Ward Gerson from the Land Bank, who in 60 days, put together an entirely new set of practices that have the program up and running. And now we have a joint team of state team employees and Land Bank employees in every single contract with new financial oversight, new operations oversight, new compliance oversight. And we believe that at the rate we are ramping up, we will be able to take out 10,000 abandoned houses in this city over the next two years.

But this time our goal is to not only be the fastest. We are committed to being a program that is fully compliant with federal and state regulation, so that our supporters never have a reason to regret supporting us because we wouldn't have this \$130 million to take out the next 10,000 houses if it hadn't been for a special appropriation of congress and the support of the governor. And the support of Sen. Debbie Stabenow and Congress Members John Conyers and Brenda Lawrence. We got it with huge lobbying efforts by Dan Gilbert and the head of JPMorgan Chase Jamie Dimon. We got it through the efforts of Revs. Wendell Anthony and Jesse Jackson, who reached out to people I didn't have a relationship with. It was a remarkable legislative achievement. And I just want to say to everyone who helped us get this done, we're going to run this program in a way that makes you proud you supported us.

54:53 So with the thousands of vacant homes that have either been sold by the Land Bank and a family moved in or that had been rehabbed, either by the lawsuits or more and more in this city, people are rehabbing on their own. We started with 40,000 vacant homes in this city three years ago. We believe by the end of 2018 we will be down to 10,000 abandoned houses in this city.

It took 60 years to empty these neighborhoods out and it's going to take a few years to get them back but we are treating this issue with the urgency it deserves. And as we ramp up the demolitions we're very conscious of our environmental responsibility. We're really pleased the EPA named the environmental practices of the City of Detroit state of the art environmental practices of any demolition program in the country.

But now we need to ramp it up again because there's going to be more demolitions and more concentrated areas and we've always been concerned about the airborne dust and what might be in it, and so we're going to be adding new layers of stringent environmental controls that will start with the contractors this spring. We're going to remain not only the best demolition program in America.

But you can't begin to rebuild our neighborhoods if people keep leaving. And remember the media reports about the tsunami of foreclosures: 60,000, 80,000, 100,000 people were going to leave, couldn't do anything about it. It's just the way it was. And when you looked at why, when our residents went to the treasurer and said, "I want to stay," it was a requirement of the treasurer to charge them 18 percent interest. Couldn't do anything about it. So we threw up our hands. Except we didn't accept the fact nothing could be done. With the great leadership of our Detroit delegation in Lansing and bi-partisan support and support of the governor, we passed a bill that allowed treasurers in this state to offer four and five-year payment plans at 6 percent interest. And then, getting that done was a huge step, we had to reach people. And it was remarkable. Ted Phillips and the United Housing Coalition and 15 neighborhood groups spread out across this city, knocking on doors, letting people know. I was just with the Rosedale group and they showed me when I was on my way out, these are the cards they're showing people. They know exactly who's in danger and it says, "We want you to stay." This is how they start the conversations. It's those volunteers that avoided 50,000 foreclosures in the last two years and the reason our neighborhoods are stable.

57:48 So I want to thank the treasurer Eric Sabree and the people who organized these door-knocking efforts including City Councilmembers Gabe Leland and George Cushingberry. When we all pull together, we can change this community.

I get asked, it seems like every day, "You've got all this investment in downtown and midtown, it's great, I like it, but when is the investment coming to the

neighborhoods, alright?" Somebody here was the one asking it, Sherry! So I want you to know it starts today. We are talking tonight about the Strategic Neighborhood Fund, which was put together by Dave Blaszkiewicz and our philanthropic community. Thirty million dollars that will be invested in neighborhood development, much like what's been done in downtown and midtown. And we're glad to have the support of several philanthropic organizations, Steve Harwood of MEDC has been a great partner. And here's what we're doing with that \$30 million. We're starting in three neighborhoods to start. It makes a difference. We're starting in the Livernois-McNichols area, the West Village area on the eastside and in southwest Detroit near Clark Park. And as we roll out these things the city of Detroit is trying something different. We're actually talking to the residents of the neighborhoods and seeing what they would like in their neighborhoods. We've had 40 different planning sessions with the folks in the McNichols and Fitzgerald areas and they've developed an entire plan that's now being rolled out. We're going to take 80 vacant buildings in their neighborhood and move families in them and fill all of them. We're going to take a whole string of vacant lots and create landscapes, bikeway and a walkway connecting Marygrove College to U of D Mercy. And we're going to take vacant storefronts on Livernois and McNichols and start to move in the kinds of shops that people in neighborhoods need. Then we go over to southwest Detroit and the group by Clark Park. And the first thing we need is we have this group of dilapidated houses that's been depressing this neighborhood and so we've taken on as the first project in southwest, renovating and getting occupied that group of row houses. So we're starting there. Then we go over to West Village. And they say we need more retail and shopping. We've already started a mixed retail residential complex, the Coe, and were about to start or open up a second one on Kercheval. If we can prove that when you invest in these neighborhoods the neighborhoods start to come back, that \$30 million will only be the beginning. And so I want everybody to watch what happens. Because if everybody sees that this works they will come back with another \$30 million and another \$30 million as we move across the neighborhoods in this city.

1:01:02 What else is next? Here's something you probably didn't expect. This May you're going to see street sweepers on the streets of Detroit. DPW has bought eight street sweepers and our streets are going to be swept for the first time since 2010. And you know all those catch basins that flood up the streets every time it rains? Well Gary Brown and the Water Department have just bought eight new Vectors. And I can't tell you what a Vector was before but I can tell you now. And they're going to go into those storm drains and suck the clogs out of there and we start to make some progress.

Now, Gary tells me there are 90,000 storm drains that haven't been maintained in a while but we're going to get to them from the most flooded to the least, but we're going to start to see this kind of attention.

The other thing we're going to be doing is we're going to try and address the homeowner's insurance in this city. And unlike car insurance in this city which the legislature controls, this is something we can do. And here's what I found out. In 2013, there's a group called the Insurance Services Organization that rates fire departments across America and your homeowner's insurance is based on their ratings. The city of Detroit has always been rated a two, one of the highest ratings in the country, and we enjoyed fairly low rates. In 2013, you had 30,000 fire hydrants that weren't being inspected. Remember the stories? The firefighters would show up and there'd be no pressure in the hose. And there were fire trucks breaking down on the way to fires. And so the national organization came in. They assessed the fire department. And they downgraded us seriously, which is probably costing everybody in this room \$100 to \$200 a year or more because of the performance of the fire department. But now, we have a new leader Eric Jones, our fire commissioner, and we have a partnership with Mike Nevin, the president of the firefighters union. I don't remember the last time the president of the firefighters union and the fire commissioner got along. Certainly not since I've been around. And they've been working together to address this. And we're going issue through issue on the checklist. And we've got 19 new fire engines coming in the next two years. Another 16 that are ordered now. We've got a whole new inspection process that Beth Niblock, the IT director set up and all 30,000 fire hydrants have been inspected and fixed in the last four months and they'll be inspected and fixed every four months going forward.

1:04:03 We've got new training, new dispatch system and when these trucks come in this summer, this fall, we're inviting the Insurance Organization back and we're going to ask them to do a new reassessment. And if we succeed, as I expect we will and we get raised back up to a two in 2018, not just homeowners but businesses will see an impact. This is something that we can control and I want to say congratulations to everybody in the fire department for your contributions in making this better.

Our city's never going to reach it's potential until everybody is safe. And I want to thank Chief Craig and the men and women of the Detroit Police Department for how far we've come. It's a far cry from where 911 calls averaged 30 minutes and police stations were closed and people felt disconnected. What Chief Craig did, in bringing in 44 neighborhood police officers and establishing a principle of community policing where people got to know the police in their neighborhoods, was a major step forward and I thank you for doing that.

1:05:23 But, what comes next? We are not where we need to be. And so we got three things coming. We got new cops, new presents and new technology and we're going to come at it with all three. With last year's pay raise we are now filling the police academy. We've got 30 officers a month coming out of the academy. We've got 200 officers in training today. And as those officers get put back in to replenish the precincts, the chief is committed to putting more and more support behind the people investigating the gun violence in the city. We're finally going to have the resources we need to push back on what we are suffering.

We've already opened a new 3rd Precinct, a new 5th Precinct, and with the support of Councilmember James Tate, this June we're going to reopen something that never should have been closed: the new 8th Precinct.

And next year we will build a new 7th Precinct for the police of the community. And then the new technology. I'm not sure I've seen anything take off the way green lights have. We have more than 100 green light partners in this city. And from the time we started this program a year ago, we started with the first eight. We weren't really sure what was going to happen. Comcast and DTE came in with discounts that made it affordable. As we moved from one to the other, the violence and crime has dropped dramatically at the green light stations. And when crimes do occur I can tell you as a former prosecutor, the easiest way in the world to get a conviction is play a color video of the person committing the crime. We are now hearing stories in this community of people treating the green light stations as safe havens. If they feel in danger they either walk or drive over to green light stations to call 911. That was a good step, but we need to do more.

Because it shows what technology can do. I was really disappointed we didn't drop the homicide rate last year, but those stories of people being carjacked from gas stations going every week. From last year, carjacking in the city of Detroit dropped 28 percent. Our biggest crime drop of any category.

Technology works. So in May there's going to be a massive real-time crime center opening at police headquarters with a huge number of crime analysts, lots of screens. One of the issues with green lights is, we've had community with police going to persuade different folks to sign up but we've got some where it seems like the people out front seem to be treated with a lot of affection by the people inside the business. And so with the support of Councilman André Spivey who sponsored the original ordinance requiring business to have cameras, we are going to be asking over the next 18 months, to adopt an ordinance that says businesses in this city that take customers after 10 p.m. be green light stations and protect their customers. It doesn't cost that much to have your customers be safe.

Nothing we can do for the people most vulnerable is any more important than our newborn babies. We still have preterm birth and infant mortality rates that are the highest in the area. And for pregnant women, carrying your baby to full-term is critical to a baby's health. Because before 32 weeks, a baby born has a much higher chance of respiratory distress, brain damage, or that baby dying. And so we made enormous progress with a program called Make Your Date. And I want to thank Dr. Roy Wilson and Dr. Sonia Hassan from Wayne State University who have done such a great job with this program and are here tonight. But what Make Your Date did was link up medical professionals, whether you have a doctor or not, with pregnant moms. They would give you all the latest resources, would counsel you all along the way. And the women who went to that program saw a 30 percent reduction in preterm birth. It works.

But we've got 600 moms in the program now and it's not enough. And so Dr. Joneigh came in and says, "There's a reality in public health. That is that certain pregnant moms, especially teenagers, don't relate to the medical professionals and we've got to find a way to reach them." And she's brought to our city a national model that is known as SisterFriends that we're going to be rolling out this week. And we're asking people tonight if they would be willing to volunteer tonight to be a SisterFriend. And here's what a SisterFriend is: SisterFriends is somebody who's compassionate and has common sense and is willing to be paired one-on-one with a pregnant mom through her pregnancy and through her baby's first birthday. What you have to do is go through a training session and then meet with your partner, your mom, an hour a week with other SisterFriends and other moms.

And what they have found nationally is this: when these pregnant moms, particularly these teenage moms, have someone that they see as a sister, that they confide to, that the advice they get on nutrition and making their doctor's appointment is taken in a whole different way. And so, if you believe that it takes a village to raise a child, please go to our website and look at SisterFriends. If you believe you have it in your heart to help out one mom get through one birth, we'd love to have your help. And if you're a pregnant mom out there who would like a SisterFriend, please go to the website because the Detroit Health Department is going to pair you up and see if we can't change the health of our youngest people.

And finally I want to talk about an issue that is seriously holding back Detroit's future. Something that we have no control over, it's got to be dealt with in Lansing. You all know what I'm going to say: car insurance. When the Michigan Legislature enacted the no fault in 1973 it did so with the best of intentions. What it did was it meant everybody was immediately going to get medical care from a doctor and there would only be lawsuits on the most serious cases.



It may have started out that way, but 44 years later the system is completely out of control. So last year I asked the legislature, I said, "OK I don't care about the rest of the state, give Detroit our own authority. We'll have our own plan. I know something about the medical field and insurance. We'll put our own plan together and they can choose whether they want your \$4,000 state plan or our plan." And an interesting thing happened: the state legislators listened to me and said, "Your plan sounds really good. But the people in my district have car insurance that's high too. I don't want to just vote for car insurance relief in the city of Detroit, what about the rest of the state?" And the interesting thing is they're right. Everybody in this state is getting screwed by the no fault system. In Ohio, it costs \$900 a year to get car insurance. In the state of Michigan it costs \$1,700 a year, double. But in Detroit it costs \$3,400 a year.

And so while the city of Detroit is hurting the worst, the reality is it is affecting everybody. You think about a couple who has two cars, and I know my Republican friends proposed income tax reductions in the state of Michigan and the governor pushed back and said the state's financial condition can't afford it. You're going to devastate schools and other things. Well the tax cuts would only save people a couple hundred bucks. If you solve the car insurance you'll put three or four times that back into pockets and it won't hurt any state services.

So there's a reason why only 12 states in the country still have no fault. It's ridiculously expensive and we know what the problems are. The hospitals and the medical community are charging triple what they're getting for Blue Cross for those rates. Lawyers are taking not money from the injuries, they're taking a good chunk of the medical bills and they're taking them in legal fees, driving the cost up more. The insurance companies pass all this on for a profit.

So the insurance companies are doing fine, the lawyers are doing fine and the hospitals are doing fine. And all of us are paying the bill. So I'm asking at this point that we get together. I think the thought was right, we should address this at a statewide basis. This is affecting everybody. And so I am hoping we can get the hospitals, the lawyers, the insurance companies, Republicans and Democrats, can come together. I really appreciate the leadership of Mark Bernstein, from Michigan's "First family of Law." Mark Bernstein stood up and said, "What's happening on the legal side is wrong. We need to correct this." What kind of courage does that take? Imagine going to your next bar meeting, right? But he says, "I'll be at the table, I want to fix this." I appreciate the leadership of Rev. Wendell Anthony and the NAACP who have taken this up as a civil rights issue that half of Detroiters don't have mobility because they can't afford their car insurance.

And I appreciated the leadership of Tom Leonard who sponsored this last year and said unequivocally that if we do this, the insurance tables have to come to the table and they have to give us real rate reductions as part of this. We're doing this to lower the costs to the consumers of the city of Detroit.

And so I'm not sure what they're going to do this year. But I want everybody to know, I will be in Lansing and I will work hand-in-hand with people of goodwill who look in the mirror and say this system is immoral. Where half the citizens of Detroit are driving illegally, when people across this state are being overcharged, it's wrong. It's my hope that this is the year we all come together, because nothing could raise the spirits of this city faster than a new auto insurance bill.

Thank you all very much for being here and have a good evening.