

**(WELCOME & THANK YOUS)**

Hello, Everyone!

Wow! That was such an impactful piece touching on where we've been, where we are, and where we are going. Let's hear it for Poet Laureate Kellie Richardson and her epic poem!

Now, I know there are a million ways that you could have chosen to spend your time this evening... shopping... hitting the gym... or streaming movies on Click... but you chose to join us in person, online, and on TV, to reflect upon the state of our city.

And for that, I say Thank you.

Because what it comes down to is this.

Your city government exists to serve you. And by taking the time to engage with us, you're helping us to serve you at the very highest level possible. At the level that you deserve.

I am delighted to serve you. And I know that:

- My City Council colleagues,
- City Manager Elizabeth Pauli,
- Our Utilities Director Jackie Flowers, and
- City staff share this sentiment as well.

I want to take a moment to thank Clemencia Castro Woolery for serving as the emcee tonight and for her leadership in our business community.

I would also like to express my deepest appreciation to everyone who is a part of tonight's program. Let's hear another round of applause for everyone who has taken the stage tonight!

My Mom and Dad are also here tonight. I am so grateful for their support, and I'd like to express my love and thanks to them as well.

This is an incredible venue, and the University of Puget Sound is a wonderful academic institution as well as a community partner.

Thank you to:

- President Isaiah Crawford,
- ASUPS President Collin Noble, and
- all the UPS leaders, students, and staff for having us here tonight!

## **REFLECTIONS ON 'OUR TACOMA'**

Now, I may be your Mayor, but as you know, I cannot take credit for everything we have achieved as a city. It has taken all of us...

- Coming together,
- Contributing our ideas,
- Coming up with the shared vision in the Tacoma 2025 strategic framework, and
- Collaborating with one another to make things happen.

Because when we say we are the City of Destiny, it takes all of us being present and engaged to fulfill that destiny, a destiny that jointly belongs to all of us.

During last year's address, I told you that some of the City's greatest successes have emerged from the amazing community partnerships we have established and continue to cultivate. This remains true today.

While I am honored and blessed to serve as your Mayor, you also have eight incredible City Council Members working very hard with our community partners each and every day to realize our shared goals and to make our dynamic city even better for future generations. Let's have a round of applause for all the work that's been done in collaboration with our community partners.

As I have spent some time reflecting on what we accomplished in the last year, I have been amazed by how fast time moves and how much we can accomplish. **Our destiny truly is in motion... And we are all faced with an important choice:** We can passively accept the changes that emerge as our future unfolds... or we can choose to take a more active role in shaping our future as a city. It's a choice and it's up to us.

As city leaders, we have a limited range of tools that we use to accomplish surprising things. In addition to the policies we pass, we can:

- Leverage our budget,
- Generate synergy with partner organizations, and
- Create space for community voices to ring out.

Tonight, I'll share a little bit of how we're utilizing each of these tools to shape our destiny before focusing on two of my priorities for the coming year.

## **BUDGET (CORE SERVICES)**

In my first year as Mayor, one of my top priorities was the completion and passage of the City of Tacoma's 2019-2020 biennial budget – A budget that guides the way the City aligns its resources to support Council priorities and best meets our community's needs.

Thanks to our City Manager and her staff, this budget truly reflects the feedback provided by every member of the Council, *and* the community... and it passed unanimously. We have set ourselves up to respond to the evolving needs of a city undergoing significant change and tremendous transformation.

### **STREETS INITIATIVE:**

As we think about budget, one of the major investments we are making is in our local streets. In continued partnership with the voters who approved our streets initiative, we are fixing our local roads:

- Under this initiative, 1,659 blocks of Tacoma streets have been improved
- We've also installed close to 1,500 ADA ramps and approximately 4 miles of bike infrastructure.
- Plus, we'll be completing Pipeline Trail Phase 2 soon.

To add to the Streets Initiative funding approved by voters, we've also secured:

- \$52.3 million in grant funding and
- An additional \$3.9 million in partnership dollars.

These additional dollars have more than doubled your investments. Public Works has also worked hand in hand with our Environmental Services Department on expanding our green infrastructure that will help keep the waters of Puget Sound clean and protect our marine wildlife.

We all know how incredibly hard working our City's Public Works team is... So it should come as no surprise when I tell you that they tend to rack up lots of awards. Most recently, they received the American Public Works Association 2018 "Project of the Year" award for the Tacoma Avenue South Bridge Rehabilitation project.

Not to mention, I think they also deserve an award for all the snow they plowed the last month!

### **TACOMA DOME**

Streets wasn't the only major investment we've made this year. In 2018, the City invested over \$30 million to refresh the iconic Tacoma Dome. Anyone who has tried out the new seats is not missing the old benches at all!

Others are noticing that we've stepped up our game too: The Tacoma Dome was recently recognized by Billboard Magazine as one of 20 "must play" venues in North America. AND we are excited to welcome Michelle Obama on March 24th!

In 2019, we will continue to invest in our world-class event facility with sound, lighting, and exterior upgrades.

### **PANTAGES AND TACOMA CREATES**

On the topic of touring acts, we saw the beautiful results of our investments in the renovation of the Pantages Theater this year. I hope this century-old facility will remain home to Tacoma's performing arts for another 100 years!

Voters also chose to make significant investments this year in arts and culture access for all by approving the Tacoma Creates initiative. Thanks to all of you for making that happen!

### **TREE CANOPY**

The biennial budget also includes investments in planning for the City's health and natural lands going forward.

Trees have an immeasurable impact on quality of life. While Tacoma has not always been a leader in this area, the City is making significant strides towards improving Tacoma's urban forest and the environmental health of our community in this budget cycle. In 2019, the City will be completing the Urban Forest Management Plan – This plan will include meaningful, high-priority actions the City will take to strive towards our vision of a healthy, 30% tree canopy coverage.

In this budget, funding for the program has been increased by about \$250,000 over the biennium, and an additional \$170,000 in grant money has been secured... all to directly support urban forest programs focused on equity, environmental justice, public safety, and making our entire community more livable.

## **RECYCLING**

Also in the spirit of improving our environment, I need to talk with you about our curbside recycling program. Big changes in the recyclables market are forcing us to retool our program. While many changes lie ahead, we want your input in this decision! Our Environmental Services Division made an online survey available through March 15<sup>th</sup>, and I urge you to join your neighbors in learning more and weighing in on this crucial decision.

## TPU

As Mayor, another thing I know we offer are great utilities. Tacoma has:

- Some of the cleanest, cheapest, and most reliable **power** in the world;
- Clean, affordable, and sustainable supplies of drinking **water**; and
- A competitively priced **rail** utility helping to move goods to and from our deep water Port.

I'm especially proud of the collaborative way that General Government and Tacoma Public Utilities approached the outreach process while the budget was being developed. This past year was the first time that the General Government and all the utilities partnered to do joint presentations to the Neighborhood Councils and other community groups. This proved to be a very effective method of outreach

## LIBRARIES

I'd like to switch gears now and talk about our Libraries – We all know how essential library services are in Tacoma. While there is more work to be done on how to equitably distribute library services, I'm proud that in this year's budget we extended our hours of operation at three locations to include Sunday service, adding 396 public service hours per year. We also set aside funding for a feasibility study looking at expansion of the library system to Hilltop and the Eastside.

And speaking of libraries, I'd like to take this moment to announce a very special partnership... and the Tacoma Reads selection for 2019. You're going to be the first to hear it here tonight...

"Tacoma Reads" is our local community reads program, where the larger community is encouraged to read, think, and discuss compelling and meaningful themes from a single book. I want to extend a special thanks to the committee who reviewed the selections for this year's Tacoma Reads Event for the time they dedicated to narrowing the field.

Ultimately, the book selected was compelling for so many reasons.

It touches on the concept of identity and how people's lives are shaped by history, the passage of time and the impacts of trauma, poverty, and urban life...

It was written by a Native American author who weaves the brutal history of American's first nations through the stories of modern-day, city-dwelling indigenous people.

This year's selection was named one of the best books of the year by:

- The Washington Post,
- NPR,
- Time,
- O Magazine,
- Entertainment Weekly,
- BuzzFeed,
- Publishers Weekly,
- Library Journal and more!



**ANNOUNCEMENT (Drumroll):** Everyone, I am tremendously excited to announce... in partnership with the Puyallup Tribe of Indians... that the 2019 Tacoma Reads selection **is** the novel “There There”. And in partnership with the Puyallup Tribe, we will be bringing award-winning author Tommy Orange to Tacoma on September 20<sup>th</sup>.

We will be working with the Puyallup Tribe, members of the Mayor’s Youth Task Force, and Tacoma Public Libraries to make the book available in a wide variety of formats.

We also plan to host community conversations and programming to engage all of us more deeply in learning about the Native American experience, heritage, and culture.

And between you and me... I am really excited for this!

### **OTHER PARTNER AGENCIES**

While our partners are key in educational programs like Tacoma Reads, we also rely on them to help us tackle our community’s most pressing needs. I want to share a few examples of this work in action...

## **DOMESTIC VIOLENCE:**

In collaboration with:

- Pierce County,
- The Crystal Judson Family Justice Center,
- The YWCA, and other local service providers...

The City is working to ensure that the services available to those experiencing domestic violence are both efficient and effective. We are currently studying how these services might be better aligned in future years to deliver first-rate, high quality service to some of our most vulnerable community members, and I know Council Member Catherine Ushka, who chairs the Crystal Judson Family Justice Center Board, will provide great leadership in this work as it moves forward.

## **TRANSIT**

Sometimes the work we do LITERALLY keeps us moving – I’m talking about transit. We have exceptional partners in this area. Sound Transit projects like the Tacoma Dome Link Extension and the Hilltop Link Extension will revolutionize how we are able to get around our city and the region.

There are local projects making big waves in the city as well. Pierce Transit is exploring the future of Bus Rapid Transit, connecting downtown to East and South Tacoma, all the way to Parkland and Spanaway.

As this project moves forward, we have an opportunity to foster transit-oriented development that compliments this project – building communities where people live closer to work and all the amenities they need for day-to-day living.

And, under Council Member Ryan Mello's leadership, we are also looking at the feasibility of fast foot ferry service as a new option to swiftly carry Tacoma residents to their destinations without needing to use our freeway system.

## **DIVERSITY**

Even our internal facing departments are energized by collaboration. Our Human Resources Department is engaging with community partners to plan and host the first annual event focused on recruiting a diverse and inclusive workforce. The event "Diversity" will be open to other cities and public sector agencies, and feature keynote presentations that showcase best practices. The event is expected to debut this Spring!

## **OPIOIDS**

As I mentioned, collaboration is necessary when tackling the most impactful issues we face. I have been extremely proud to stand with leaders across the Pierce County and the Nation in addressing the impacts of opioid addiction in Tacoma. Locally, our behavioral health and shelter funding are vital to this work.

As you'll recall, last year I announced that Tacoma was one of only six cities to be selected for the National League of Cities' Mayor's Institute on Opioids. Since then, we have partnered with:

- The County,
- The Health Department,
- The Sheriff's Office, and
- Accountable Communities of Health...

to continue moving this work forward.

The technical assistance and learning provided by the Mayors' Institute are being used to support the Tacoma-Pierce County Opioid Task Force.

I want to thank Deputy Mayor Conor McCarthy for his leadership on the task force and in other efforts related to the opioid crisis. With his work (alongside County Council Member Derek Young and Dr. Anthony Chen of the Health Department), this task force has been making inroads in three areas:

- Access to Treatment,
- Prevention and Education, and
- Ensuring access to the right services at the right time.

Ensuring the right services at the right time can change lives. Here's why:

- In October, I heard from a resident who had found herself homeless and addicted to opioids.
- A year earlier, she had checked herself into the City's Stability Site.
- She started meeting with a case manager, and tried medically assisted treatment.
- When she reached out to me this October, she was 9 months clean.
- When describing the Stability Site, she said that it helped her find focus, as it gave her a safe place to lay her head at night and, over time, work up the self-esteem that she felt she needed to get herself together.
- While staying at the stability site, she found a job and was proud to share that she had not missed even one single day's work.
- She has since saved up enough to purchase a car.
- And on October 7<sup>th</sup>... she moved into her own apartment.

This is a story of a strong and resilient woman who found the right support at the right time. And there are many, many more like her out there.

As a further result of work of the task force, the Tacoma Fire Department has been awarded more than to \$400,000 in State funding for a pilot project to expand the role of TFD CARES in combating opioid use disorder in our community. The funding will allow the fire department to provide mobile outreach by a medical professional to people suffering from addiction. And during our free CPR classes our Fire Department will be showing attendees how to administer the life-saving drug Narcan to someone experiencing overdose.

Stories of addiction are common. With continued support like this, we can ensure that stories like the one I've just shared will become common as well... Healing lives, healing families, and healing our community.

## **TRIBE**

I cannot talk about collaboration without talking about the Puyallup Tribe of Indians. We have been working with the Puyallup Tribe on so many fronts... that I cannot name them all tonight. You have already heard about them joining us in making Tacoma Reads 2019 an epic community experience. Here are some other notable milestones from the last year...

- In honor of the fact that our city is on their ancestral lands, the Puyallup Nation flag is now prominently displayed in our Council Chambers alongside our Federal, State, and City flags:
- We hosted the first-ever joint meeting between the two governments;
- We joined them in sponsoring the Canoe Journey, and
- They helped us host a safe, family-friendly New Year's Eve event for the community.

Later this month, a proposal will come forward formalizing the renaming of the Puyallup River Bridge and Ells Street to the "Fishing Wars Memorial Bridge" and Crossing in recognition of the history that happened on the shores there.

How many here know that, along with many members of the Tribe, Actor Marlon Brando was arrested here in 1964 defending the fishing rights of the Puyallup Nation? **{STATE WITH SERIOUS AND SOLEMN TONE}**: It's true.

In addition, the Tribe has joined the City, the Port of Tacoma, Pierce County, and the City of Fife in agreeing to a collaborative long-range planning effort we call the Tideflats Subarea Plan. This effort will be very influential in the future of the Tacoma Tideflats. The work will include extensive public participation and outreach, and it will set the groundwork for our region's future economic prosperity while protecting and improving the environment.

## **METRO PARKS**

Looking back at 2018, we also celebrated with Metro Parks at the super exciting opening of the new Eastside Community Center! And our deep partnerships with Metro Parks continue...

The City and Metro Parks are analyzing the future of our waterfront, particularly along Ruston Way. We're asking big questions about how to ensure equitable access, and what the waterfront should look like in the face of sea level rise and aging infrastructure. And we're doing it with the community's help.

## **BLOOMBERG HARVARD CITY LEADERSHIP INSTITUTE**

As a city leader, shaping the future of Tacoma requires cutting edge tools. I was one of 40 mayors in the world selected to participate in the Bloomberg Harvard City Leadership Institute. In addition to top quality instruction and professional development opportunities for me and key staff, they are also providing resources for a local "Innovation Team" on the perceptions of safety in our city.

We have been fortunate to have many community partners in this work:

- The Tacoma Police Department,
- The Puyallup Tribe,
- The Rainbow Center,
- The Citizens Police Advisory Committee,
- Tacoma Ministerial Alliance, and
- Other community members.

While we are in the early stages, we are learning how to harness the power of our collective experiences to discover how we might evolve the way we provide services in Tacoma.

## **BIKES**

Another area where we can use innovation is with multi-modal transportation. Many of you may have heard that I am on a mission to be the nation's most bike-friendly Mayor!

In my first year as Mayor, I bike commuted with SAMI and Lincoln students – who made the bike I rode. I also championed a temporary permit for e-bikes and scooters, so that our city could learn more about this first and last mile transit option.

It was a trip organized by “Downtown on the Go” that really energized me about having a more bike-friendly city... In 2018, I joined Downtown on the Go and 8 partners on a trip to learn from Danish leaders and transportation experts about more advanced walking and biking networks. We returned with a deep understanding of what a truly inclusive transportation network could look like:

- One that is easy to get around for ***all*** people,
- One that is healthy for ***all*** people, and
- One that supports a healthy environment and economic growth as it reduces congestion and puts more feet on the street.

And because transportation is the second largest cost in most family budgets, achieving a more bike-friendly infrastructure and better transit connections is sure to have an immediate impact on the financial wellbeing of Tacoma’s households.

## **EVs**

Also on the topic of transportation, Let’s talk electric vehicles... Thanks to the leadership of Councilmember Anders Ibsen and the City Council, we have been working across the City of Tacoma to power our vehicles and other forms of transportation with the carbon-free hydropower that Tacomans have invested in for more than a century.



...for example... last August, the City of Tacoma and a number of our partners, joined Governor Inslee to power-up a new electric vehicle fast charger at the LeMay Museum as part of the West Coast Electric Highway initiative....

...and now we are working to implement a series of local and state policies that will make it easier for Tacoma residents to own electric vehicles. Tacoma is leading the way to power our vehicles with clean, green hydropower.

### **JBLM**

Of all our partners in the community, we cannot forget the influence of the federal government. As we all know, JBLM is not only strategically vital to our national security, it is also a powerful economic driver as the #1 employer in Pierce County, with highly skilled workers who uplift our business landscape.

A 2018 study done in partnership with UW TACOMA indicates that the regional economic impact of JBLM is estimated at more than \$8 billion dollars.

While we are lucky to have a number of veterans in City leadership, including yours truly, the reality of just how demanding military service is for our service members and their families really hit home in an immediate way this year when Council Member Robert Thoms answered his call to service. Council Member Thoms, we thank you for your service, and we are really grateful to have you safely back home. Please join me in a round of applause in recognition of Councilmember Thoms' service!

## **FEDERAL AND IMMIGRATION**

Our federal partnerships also play an important role as we address serious topics closer to home as well.

We are partnering with our federal delegation in any way we can to make a difference on the issue of immigration. Last session, Representatives Adam Smith and Pramila Jayapal introduced the Dignity for Detained Immigrants act. Many of my colleagues on the Council have taken a strong interest and active role on this issue. Yesterday, I presented a letter for the consideration of my Council Colleagues urging Representatives Smith and Jayapal to reintroduce this important legislation, ensuring that use of detention is limited and humane.

We are also doing what we can locally with our limited jurisdiction... Councilmember Keith Blocker took a leadership role last biennium in establishing a legal defense fund for immigrants. I am proud to share tonight that his work continues to have an impact:

- In our budget, we approved ongoing funding for the immigrant defense fund.

Access to legal representation matters:

- A 2015 study found that immigrants in detention who had legal representation were more than 10 times more likely to win their cases.

Last year, I reported to you that the City Council had established a Commission on Immigrant and Refugee Affairs. This year, they are expanding their work. In conjunction with the Office of Equity and Human Rights, the City will host a regional convening with the Seattle and King County commissions to explore joint possibilities that support and uplift members of our community who are immigrants and refugees.

And, in an effort to engage immigrants who are our neighbors, business owners, and friends more deeply in conversations about city business, I am excited that we have funded a new position for multilingual outreach and communications... Increasing outreach to those who face language barriers as they go about their everyday life **is the right move**, and it has been long overdue.

As I've mentioned, the success of *our* Tacoma depends on all of us. No matter what language you speak, or country you originate from, **Your Voice Matters.**

## **TENANTS**

One set of voices who we heard from time and again were those displaced from their apartments... We on the Council and city staff have heard many stories of these kinds of hardship over the last year. I want to share just a couple examples tonight:

- We heard of a single mother and her baby who became homeless when they were unable to find another place to live in the 20-days notice they were given to vacate.
- We heard from a disabled man with a fixed income of \$1000 per month who had lived in the same unit for seven years paying \$750 per month in rent.
  - When a new property owner gave him 30-days notice that his rent would be raised to \$1,500, he was left with a choice.
  - Unable to find housing in 30-days, this man became homeless.

As the magnitude of this issue and its impacts on people's lives became clear, the City's Office of Equity and Human Rights pulled together tenants, landlords, and other stakeholders to help craft the City's Tenant Rights Legislation...

While I am grateful that our City has many landlords who have always taken actions with the wellbeing of their tenants in mind, these new protections are necessary in a tumultuous rental market.

As of February 1<sup>st</sup>, tenants now have protections that include...

- 120-day notice and relocation assistance for low-income tenants when a landlord intends to change the use or demolish the building;
- 60-day notice to vacate for no-cause eviction; and
- 60-day notice for rent increases.

As we try to address the needs of our most vulnerable community members, we are also concurrently working on cultivating a thriving economy in Tacoma. When our business community thrives, it creates opportunities that lift us all...

## **BUSINESS**

Last year, I promised that I would deepen my understanding of the business community and their needs. In 2018, I convened a Business Advisory Council to begin analyzing how city policies, services, and communications practices impact our economic engines. I am excited for where our conversations will lead.

Along Hosmer, in Fern Hill, and throughout South Tacoma, Council Member Chris Beale has led listening sessions with business owners and leaders on issues of importance to them, so that we might help all of Tacoma grow and flourish.

Conversations with the business community are not just about talk...

In conversation with entrepreneurs and our business districts, we can learn about all the ways – big and small – that we can help them thrive. This year, Council Member Lillian Hunter demonstrated how quick action on a simple solution can make a big difference. Her “Great Barrier Relief” initiative helped business districts cover some of the costs of the traffic control barriers required for special events, so that they could host vibrant events and festivals for their communities in 2018.

### **MLK STREETSCAPE:**

Speaking of Business Districts... I am pleased to announce, that after all the hard work and participation of the community, our staff, and design consultants, that the Hilltop Links to Opportunity urban design and streetscape project is moving forward.

The project, which will...

- Include streetscape and pedestrian improvements,
- Celebrate the Hilltop community’s cultural history, and
- Provide a safe and inviting atmosphere for all abilities...

...is on the way to becoming a reality and not just a vision. As I have stated before, this undertaking is a strong priority for the City.

We have now identified the majority of the funding needed for this important project and are working on putting the final package together to make this dream come true. I will work with my peers on the Council and the City Manager to confirm our commitment to getting the project done as soon as is possible.

### **CODE COMPLIANCE**

The appearance of our streetscapes and our neighborhoods is a vital part of our community character. As a city, we have both the difficulty and the pleasure of dealing with the day-to-day issues that impact people directly.

Trash being dumped in your neighborhood, vegetation overgrowing the sidewalk near your home, or a junk car abandoned on your block... Our Code Compliance Division works on these issues and many more as they work to improve quality of life in the city.

In 2018, they worked extra hard and eliminated a backlog of over 1,000 compliance cases awaiting staff attention. As a result, our neighborhoods are cleaner and safer, and almost all requests for assistance through 3-1-1 now, receive a response within 14 days.

## **YOUTH**

Another one of my priorities is lifting youth voices. This year, I followed through on a promise to increase youth engagement in Tacoma:

- We had a very successful National Voter Registration Day,
- I've been meeting with youth groups out in the community, and
- Most recently... I established the City of Tacoma's very first youth task force.

I want to thank Stella Keating for strongly advocating that youth voices be involved in City decisions, and, Stella, I am so grateful that you inspired me to create the opportunity for youth to get involved and speak up.

My initial vision was for a Youth Council with 16 seats. But when we opened up that application process, we were overwhelmed by the response – 126 middle and high school aged youth applied!

We cannot encourage the voices of youth by limiting their participation. This is why we extended an invitation to participate to all of them. More than 83 youth committed and have remained engaged, dedicating a Saturday each month to civic participation...

Please join me in thanking some of the many community partners making this work possible and in recognizing the youth who are participating!

**ANNOUNCEMENT:** With all this and more that is going on in Tacoma, I want to remain accessible to you.

That is why, tonight, I am announcing monthly coffee hours with me, your Mayor. Every month, I'll provide opportunities for members of the public to join me in conversation on the issues of importance to them. Check our website and social media accounts tomorrow for event details.

The coffee hours will take place in each district, on a variety of different days and times, so that I can have an opportunity to meet with everyone face-to-face, listen to concerns, and share more about what is happening in the City.

## **TRANSITION INTO PRIORITY AREAS**

With all the good I reported to you today, it may seem like we are a city without a care. But in an increasingly volatile, complex world, there is no city that isn't facing tough issues. As I mentioned, like many other cities across the nation, we are battling an opioid epidemic, we are confronting the brutal realities of homelessness, and we are balancing long-term environmental impacts with urgent community needs. Additionally, we are trying to solve these and many more concerns with very limited funding and resources.

Tonight, there are two issues I want to focus on in more depth:

- We need to work with our business community to increase the number of living wage jobs; and
- Tacoma is at the cusp of an affordability crisis.

## **JOBS: Problem Statement**

First, Jobs... You heard earlier tonight that it is one of my top priorities to engage and involve Tacoma's youth in shaping the policy decisions that impact them. Because in doing so, we grow our next generation of civic leaders and make better long-term decisions.

But if we do not grow the number of living wage jobs here in Tacoma, we are offering them no hope for a future in our city.

Right now, two of the fastest growing industries in Pierce County have seasonal fluctuations that are responsible for increases in unemployment and financial instability – particularly for those at the start of their careers.

Adding to the uncertainty about the future is the growing gig economy. In August, Forbes reported that more than one third of U.S. workers have jobs in the gig economy. Freelancers, rideshare drivers, and many more in these jobs are classified as self-employed, and they do not receive traditional benefits.

These jobs offer great flexibility for those who want to work a few extra hours or who need a financial boost temporarily between jobs but, for many, these jobs are a way of life.

If our most talented young workers and their families leave Tacoma for meaningful, living wage work, **we all lose**. A shortage of quality jobs has the potential to starve our city of the talent and leadership of the next generation.



## **JOBS: SOLUTIONS**

As my Business Advisory Council has reminded me, businesses build community. They are a fundamental part of our city's character. And they are vital suppliers of "opportunity" – Opportunity in the form of:

- Living wage jobs,
- Innovation,
- Growth,
- Redevelopment,
- Vitality, and
- Community character.

In 2018, the Environmental Protection Agency awarded the City \$200,000 in grant funding to support ongoing efforts to conduct environmental workforce development in Tacoma. This funding will allow us to train 54 students and place at least 39 graduates in environmental jobs, such as:

- Forest and Conservation Technicians;
- Environmental Science Technicians;
- Environmental Compliance Inspectors;
- and more!

The City is also continuing to partner with local Anchor Institutions to strengthen our local economy and grow local opportunities and...

Here are some steps that I, along with my Council colleagues, will be overseeing in the year to come:

- With the leadership of our recently appointed Community and Economic Development Director, we are making real investments in reducing barriers to doing business in Tacoma.

- One of these investments is the creation of an Economic Development Strategic Plan that ensures that we are not just working harder, but also smarter to make Tacoma a great place to grow a company.
- It has been 6 years since our City set this type of plan for economic growth.
- This plan will not be made in isolation – It will factor in the roles of our partners at the
  - Economic Development Board,
  - The Chamber,
  - Greater Seattle Partnership, and
  - The Manufacturing Industrial Council.
  - And it will outline how we can work in concert with one another to achieve our shared goals.
- As we plan for our future, a number of councilmembers expressed at our recent workshop that **Green Jobs** should be a priority in Tacoma, **and I agree that this is essential.**

In addition to looking ahead, we need to take action now... My Business Advisory Council and I are discussing how the city can better communicate with employers and entrepreneurs investing in Tacoma.

In addition to these steps, the City's permitting task force is making it easier to do business. Over the last 3 years, they have made major strides...

For example, the number of permits required for a new single-family residential project has been reduced from 7 different permits down to just one master permit.

Over the next two years, our Planning and Development Services Department will continue to build on service level improvements for residential and commercial permits. For example, they aim to reduce the time to issue a new commercial permit by 14 days. In a developer's world where delays cut directly into any potential profit, that's a 25% time reduction!

In addition to the contributions of our anchor institutions and larger companies across the city, I also want to touch on what small businesses have brought to the table.

As it turns out, what small businesses bring to the table in the United States is no small number. The U.S. Small Business Administration says that small businesses created 1.9 million jobs in 2015... and businesses with fewer than 20 employees accounted for 1.1 million of those jobs.

Small businesses also drive innovation: They represented roughly 96 percent of all "high-patenting manufacturers" during 2007-2012.

We see this kind of innovation and job creation by smaller businesses here in our local economy as well:

- In the last year 2,167 jobs were created in Tacoma – Most of these were created by businesses of between 5-50 employees.

Here are some other examples of success:

- Tool Gauge, a homegrown aerospace manufacturer founded in Tacoma in the 1960s, has grown to 130 employees and is now planning to add 100 more over the next five years;
- Infoblox has grown from 45 employees to more than 150 and is partnering with UW Tacoma, preparing local college students a pathway to high-paying local tech jobs;

- *Revalesio* (Rev-ah-LESS-ee-oh), a biomedical company with 16 employees, is on the verge of a potential breakthrough medicine for the treatment of Lou Gehrig's disease; AND
- Another bio-tech company had their first day at the RAIN incubator just this week – We are delighted to welcome Pacific *Immuna CelKem* (Immune-Uh CELL-Chem).

The wellbeing of smaller businesses is vital to our future success and prosperity. That's why, in 2019 and 2020, the City will increase its focus on business retention and expansion activities with small and medium sized businesses.

Through enhanced efforts by the Community and Economic Development Department, **the city will increase its outreach to these businesses by nearly 50 percent** with visits aimed at

- Strengthening relationships,
- Removing barriers, and
- Enhancing private sector opportunities for growth.

I am delighted to say that both myself and members of the Council will be participating in some of these retention visits.

Along with these enhanced business retention efforts, you can join the Council and me in watching for these milestones in 2019:

- Local companies Infoblox and True Blue will keep growing...
- The Tacoma Mall will begin construction for redevelopment of the Sears site...
- And, finally... McMenamins will be opening this Spring!

In December, Tacoma was rated by Forbes as among the top 10 U.S. cities for building a business or career because of our comparatively lower costs and our high quality of life.

**It is time for us to capitalize on our strengths** and the growth in our region to:

- Support our business community and
- Create living wage career opportunities for all!

## **Affordable Housing**

The second item I want to focus on tonight is affordable housing. While homelessness is a key issue in this community, there is no way to address it without ensuring that our community has enough affordable homes.

In Tacoma... Median apartment rental rates have gone up 17% between March 2016 and 2018. Housing prices have increased by one third during that same time.

This is not a problem impacting only those with limited incomes...

As housing prices continue to rise, this is also about attainable housing for Tacoma's middle class. This is about ensuring that all who call Tacoma home today can still afford to live here as the years march on.

Thanks to Dr. Ali Modarres at UW Tacoma, we have access to data on fair market rental rates for Pierce County. When we combine that data with the median earnings for the top 16 largest occupation categories in Pierce County, we can see what kind of rental housing the people in these professions can afford on average.

The startling news is that workers making the median salary in 10 of the 16 most common Pierce County occupations can afford NO market-rate rental unit without being cost burdened. Not even a studio apartment.

Based on recent numbers from UWT, roughly 50% of all Tacoma renters and home owners are housing burdened. This means that half of the city's residents are paying more than 30% of their income to keep a roof over their head.

Even in households making between \$50,000 and \$75,000 per year, data from our partners at UWT indicates that 38% of homeowners and 21% of renters are cost burdened by their housing.

The number of everyday Tacomans feeling the pinch of the housing market is growing. Their stories are heartbreaking and the pressures they face will not be relieved by tenant rights legislation alone.

As we talk about economic development and jobs, we need to make sure that the people working in Tacoma can afford to live here.

Market forces may help, but they alone will not ensure that Tacoma residents will be able to afford to keep living here.

Last year I told you about the Affordable Housing Action Strategy effort that was underway. In late 2018, after significant public outreach, your City Council and I voted unanimously to approve it. The plan is based on four key approaches:

- Creating new housing;
- Keeping existing housing affordable and in good repair;
- Helping community members stay in their current housing; and
- Reducing barriers for those who often encounter them.

We are now working to put that plan into action.

Staff members from nearly every department are mobilizing now to consider how their work can help take this project forward. And in the last couple weeks, the Council and I began the process of prioritizing the policy issues associated with the plan.

Our work moving forward will include streamlining permit review for affordable housing projects, and we will also...

- Re-examine the length and usage of the Multi-Family Tax Exemption to create more affordable housing units;
- Identify innovative ways to incentivize developers and homeowners to build more affordable housing, including ADUs;
- Help people stay in their homes by both increasing public awareness of utility bill assistance and collaborating across departments; and
- Look at how we might work with private industry to offer affordable housing repair or upkeep discounts.

This work is going to happen on top of actions already underway, such as the implementation of the Tenant's Rights policy and the creation of a \$1.2 million Housing Trust Fund.

Overall, we hope that this work will:

- Create 6,000 new units in 10 years;
- Preserve 2,300 existing affordable units; and
- Assist 2,200 households...

**...for a total impact of 10,500 households served!**

And next year we should have the dashboards that show us our progress.

While Tacoma's Affordable Housing Action Strategy is being put into motion, this is not an area where we can work in isolation.

That is why I have partnered with Executive Bruce Dammeier and County Council Member Connie Ladenburg to expand this conversation to include other government leaders across Pierce County and Mayors of other cities and towns:

- While our work has just begun, I am encouraged by the enthusiasm expressed by these leaders and feel optimistic about the development of regional solutions.
- Regional partnerships can also assist in our work with the State Legislature on policy solutions that reduce the number of residents burdened by their housing costs.

Together as a city, and in partnership with leaders across the region, we can ensure our destiny includes housing options that are attainable for **all residents**.

(CLOSING NEXT PAGE)



## CLOSING

- I've talked about a lot tonight
- I've talked about where we've been, where we are, and where we're going
- We have real work to do ahead of us. And this work requires all of us to come together.
- At this moment, our destiny is in motion.
- The future of Tacoma...
  - where we will work,
  - who can afford to live here,
  - and the quality of our lives...
  - ... These outcomes will be determined by the actions we take today.
- Our lives and our Tacoma will change whether we take action or not.
- But right now, we have the chance to shape the destiny of our City and each of us who call it home.
- As your Mayor, I want to call on each of you to join me in lifting our possibility into the light and activating the great potential we have as a community, so that we might build a better Tacoma together.
  - A better Tacoma today.
  - A better Tacoma 10 years from now.
  - And a better Tacoma for generations to come.
- Let's move Tacoma forward together!
- How many of you tonight will join me in moving our City forward?