**State of the City**

Fellow Council members and fellow residents of Iowa City, it is my great honor to present to you this year’s State of the City address.

Let me begin by thanking you, the people of Iowa City, for participating in the democratic life of our city, and for keeping your elected representatives’ feet to the fire.

Thanks go as well to the hundred or more local residents who currently serve on the City’s 19 boards and commissions. Their work is important and greatly appreciated.

I also want to thank my fellow Council members for their dedicated service. To be a good Council member requires committing time away from one’s family, frequently attending long nighttime meetings, and finding a way to fairly represent the diverse opinions of our engaged residents.

Last, I want to thank the hundreds of City staff members – police officers, firefighters, librarians, bus drivers, street cleaning and parks maintenance crews, and everyone else – who keep our City running day in and day out.

Due largely to all of you, and to the efforts of local businesses and employees, our city is very strong and healthy. Here are just a few indicators:

The city’s population grew to a little over 74,000 people in 2017.

At slightly over 2%, our unemployment rate is the fourth lowest in the country.

And, as can be seen in the physical landscape, a tremendous amount of new construction took place over the past year: the annual average dollar value of new construction in 2016 and 2017 almost doubled that of the average from 2012 through 2015.

Occasionally the objects of intense public debate, prominent markers of this changing physical landscape include the new Hilton Garden Inn, The Chauncey, The Rise at Linn and Court, Augusta Place, and several new multi-family residential structures in Riverfront Crossings and other parts of the city. Moreover, the University opened its new Stead Family Children’s Hospital and Catlett Residence Hall, and it announced plans to construct a new Art Museum and a new Psychology and Brain Sciences Building. The School District opened New Hoover Elementary, it’s building a major addition to Longfellow, and it’s preparing to build similar additions to Lincoln, Mann, and other schools.

As is true for any good local government, your Council and staff have been focused primarily on providing routine city services effectively, efficiently, and in a fiscally sound manner. But your City government has also been engaged in a huge amount of public works construction. Here are just a few examples.

Most important, we made great progress in elevating N. Dubuque St. and building the new Park Rd. Bridge. This Gateway project, which will greatly reduce damage from future floods, should be completed by November. We also completed work on the 1st Avenue railroad underpass, which greatly increases accessibility for businesses and residents in the southeast side of the city. And we completed a major renovation of Washington St. downtown.

The public’s overall assessment of the city’s current condition is clear. In a recent survey of 1,400 residents regarding the livability of Iowa City, 87% of respondents rated the quality of life here as excellent or good, and 90% rated the city as an excellent or good place to live. For these and related reasons, national rating services routinely recognize our city as being a great place to live, to work, and to raise a family.

But these accolades do not tell the whole story.

Not everyone shares equitably in our prosperity. Our city does have a very low unemployment rate, but we recently learned that Proctor and Gamble will be eliminating roughly 500 jobs from its beauty care facility two years from now. Over 37% of the School District’s students participate in the Free and Reduced Lunch Program, and there are vast differences (from 11 to 78%) among schools. Sixty-six percent of renting households pay more than 30% of their income on housing, and respondents to the survey I just mentioned give the city a low rating with regard to the affordability of housing. Some Iowa Citians feel threatened because of their race, ethnicity, or faith, and many of us are very fearful about flyers and social media posts that promote white supremacy and racial hatred, and about what might happen when we are stopped or searched or just observed by the police. Some of us find it very difficult to travel by public transit from home to work and to other important destinations. Although the overall incidence of violent crime in our city decreased by 11 percent, there were four highly-publicized murders in 2017. And there is compelling evidence that our way of life (especially our reliance on carbon-intensive fossil fuels) risks undermining our grandchildren’s future prospects.

For these reasons, while we are committed to providing normal city services effectively and efficiently, we focused a considerable amount of attention in 2017 on fostering a more inclusive, just, and sustainable city, especially with regard to improving racial equity; providing more affordable housing for low-to-moderate income households; producing a more vibrant and walkable urban core; and preparing a Climate Action and Adaptation Plan.

While we still have quite a way to go, I am very pleased with what we have accomplished so far. I won’t bore you with a long litany of work we have been doing. Instead, let me highlight just a few key actions:

* We adopted the State’s most ambitious Affordable Housing Action Plan in September 2016. Since then, we have allocated more than $1.65M into an affordable housing fund. We also contributed $600K to an affordable housing project in Towncrest, which leveraged millions in outside dollars for the $7.4 million project. And we have taken many regulatory and financial actions designed to increase the supply of housing for cost-burdened low-to-moderate income households. Moreover, by the end of next year, several new multi-family residential and mixed-use structures intended primarily for students will have increased the supply of high-quality rental housing by more than 4,000 bedrooms since 2015. This should put downward pressure on rents;
* We have taken major steps toward improving racial equity in our city. Under the direction of our outstanding new Police Chief, Jody Matherly, the Police Department is committed to reducing disproportionate minority contact involving discretionary charges in non-traffic related incidents, and to reducing disproportionality identified in the St. Ambrose traffic study regarding traffic stops, searches, and arrests;
* We adopted a new Master Parks Plan and a new Bicycle Master Plan, both of which will help us build a more vibrant and walkable urban core, and foster healthy neighborhoods throughout the city;
* Working in concert with other cities around the world, we established carbon emission reduction goals, hired a consultant, and created a steering committee to help us develop an ambitious Climate Action and Adaption Plan;
* We collaborated with the School Board in manner that ultimately resulted in passage of a bond referendum that will fund improvements to all of our public schools;
* And after 15+ months of extensive public and stakeholder participation, we embedded our values concerning affordable housing, climate action, historic preservation, and social justice into an amended policy regarding the City’s use of Tax Increment Financing.

Just today, the Council identified a set of strategic priorities for the next two years. To highlight just a few, we intend to:

* Expand upon and strengthen our response to the affordable housing challenge;
* Work with Proctor & Gamble, local economic development organizations, and labor unions to respond effectively to the company’s intention to terminate its local production of beauty care products;
* Initiate a study of public transit routes and hours of operation, possibly in collaboration with neighboring cities and the University;
* Adopt an effective Climate Action and Adaptation Plan;
* And embed the “Missing Middle” concept into the City’s land development practices by devising a Form Based Code for the neighborhood near Alexander Elementary;

Our Capital Improvements Plan for 2018 and 2019 also includes substantial amounts of money for completion of the Gateway Project, further development of Riverfront Crossings Park, construction of the proposed Behavioral Health Access Center, reconstruction of the Pedestrian Mall downtown, street pavement rehabilitation, improvements to key intersections on Burlington Street downtown, and extension of McCollister Blvd. from S. Gilbert to Sycamore.

I feel very good about reporting all these actions to you. But I must also speak frankly about other factors that are largely out of our control.

A year ago, I reported that 2016 had been filled with good news and great progress but ended with an array of traumatic challenges stemming from the November 2016 election. Quoting Charles Dickens, I indicated, “It was the best of times, it was the worst of times,…it was the spring of hope, it was the winter of despair, we had everything before us, we had nothing before us, we were all going direct to heaven, we were all going direct the other way”.

The past year emphatically elaborated upon that theme. Yes, Iowa City has continued to blossom, but that blossoming has taken place in a context marked by a tidal wave of presidential executive orders and federal and state policies and laws that are undermining the values that make Iowa City such a great place to live, especially its openness, diversity, inclusivity, and spirit of democratic engagement. It often seemed as though we were inhabiting two parallel worlds throughout 2017.

No doubt there will be more executive orders and legislation that run directly counter to our values. Consequently, we are being challenged to adjust – at least temporarily – to new realities without losing our moral compass.

These are not normal times. This is no time for fighting among ourselves. Yes, we should passionately debate about local issues, but the moment we are living through demands moral clarity, courage, and an ability to strengthen bonds of community across racial, ethnic, religious, and political divides. This is a time for us to love one another, to care for one another, to help one another. It is a time to stand strong together – men and women, blacks and whites, gays and straights, disabled and abled, Latinos and Asians, union laborers and scholars, Muslims, Jews, Christians, and others – stand together in solidarity with everyone who is at risk.

Standing strong together, we can take our cue from the Oakdale Prison Community Choir and its recent performance in this room. Let us “lead with love” and, by leading with love, help build the Reverend Martin Luther King, Jr.’s “beloved community” right here in Iowa City.

Acting together and leading with love, we can—and we will—survive, recover, and ensure that our city will continue to thrive long into the future.

Thank you.