Thank you for attending the State of the City Address today. A special thanks to the Chamber of Commerce and Chairperson Debbie Ritschel for hosting the event again this year. Also, thank you to PSA-Dewberry for sponsoring our luncheon.

Before I begin, I would like to acknowledge several groups in attendance:

- Please recognize my fellow council-members joining us today. This is an extraordinary group of people who work very hard to make our city a great place to live and do business.
- I would like to recognize our City Manager Henry Holling and members of our staff who are with us. The Council and I are proud to work with this group. Mr. Holling has brought new meaning to the word “teamwork” since he came to City Hall about a year ago. We’re very fortunate to have him with us at this time.
- I’d also like to welcome elected officials and administrators from Peoria County and other areas who are with us today. It has been a pleasure and honor to work with former County Board Chairman Bill Prather over the last couple years and I am anxious to roll up our sleeves with new Chairman Tom O’Neil and his team at the County as well as their Administrator Patrick Urich. They have a great group over there and I know my friend Sheriff McCoy is keeping them all in line.
- Please welcome educators of all levels as well as school board members and administrators who are with us today. **THE most important group of people in the world today are those assigned the task of educating our children.** This job that is so vital is not given the proper financial support, importance and attention that it deserves. As a community it is critical that we continue to emphasize the need for an outstanding education for all of our children. We owe it to them and it will pay dividends for us. More on that later.
- Now, please join me in a moment of silence for a few people who were extremely valuable members of our community that left us last year. A believer in Central Illinois....Pekin Mayor Dave Tebben, local attorney, planner and tireless advocate for a better city, Bill Washkuhn and longtime
Carver Center Director and mentor of kids in Peoria, Percy Baker. We lost others too, but by keeping focus on “community” and “leadership”, these three were icons and we can best honor their memory by continuing to relentlessly pursue these ideals.

As I considered the content of this address, the theme I kept coming back to can be summed up in one word – PROGRESS.

It’s often difficult at any given moment in time to have a full appreciation of the succession of events that have conspired to lead you to that moment. It is only when you consciously strive to reflect back on the past that you can put things in their proper perspective – neither to rest on laurels or dwell on mistakes, but rather to soberly assess where you’re at and how you got there, and make any needed course corrections in order to continue the journey with confidence that you’re headed in the right direction.

As I’ve gone through this exercise in preparation for this address, thinking back from when I first took this office in May 2005 to now, and even just since last year’s State of the City address, I see a great many things that have been accomplished to keep Peoria moving forward.

Now, those of you who know me well know that when speaking about our great city and this great community I often become very passionate. And you also know that I have little tolerance with negative attitudes that seem to invade discussions in relation to progress or change in our city. In fact, I’ve taken a few lumps over the years for my desire to look at our proverbial glass as half-full versus half-empty, and I accept that criticism as a badge of honor.

While there is much that has been accomplished that we can be proud of – some of which I’ll recap today – I don’t need to tell you that 2009 will be a very challenging year around the world, across the nation, in the state of Illinois and here in Peoria. The recession, credit and housing crises, increasing unemployment and financial mess have hit other parts of the country harder than
central Illinois but we are still feeling the effects. And, some experts say we may not hit bottom until later this year or in early 2010.

I say this not to alarm you—anybody who has looked at their 401(K) or IRA statement lately knows the impact of the financial meltdown has hit central Illinois. I raise this issue to impress upon you the importance of the decisions we will make this year. For Peoria and central Illinois, economic challenges are nothing new. How we go about meeting the challenges presented by economic turmoil says a lot about us as a community and region. And if the past is any guide, I think we will again rise to meet the challenges of the coming year and build a stronger central Illinois.

In spite of what you may read in the local newspaper, let’s remind ourselves of what several objective analysts had to say about Peoria in 2008.

✓ **FORBES** calls Peoria the country’s #1 most affordable large metro area
✓ **INC MAGAZINE** ranks Peoria in the top 40 metro areas in the United States for a balanced economy and growth
✓ **THE FEDERAL RESERVE BANK IN CHICAGO** says Peoria is the fastest growing economy in the Midwest.
✓ **NATIONAL GEOGRAPHIC MAGAZINE** picked Peoria as one of its 50 next great American adventure towns in which to live and play. To create the list, the magazine searched for innovative towns that aren't just prime relocation spots now, but also smart choices for the future.
✓ Peoria jumped from #68 to #43 on the **Milken Institute index** of the 200 best large metro areas in America. The Best-Performing Cities index measures U.S. metropolitan areas to find the most successful at job creation and retention, the quality of jobs being produced, and overall economic performance.
✓ And, Peoria was featured in a recent book as a bright spot in the Midwest as America’s Heartland struggles to meet the challenges of globalism. The book is called **Caught in the Middle** and was written by former Chicago Tribune reporter Richard Longworth. The book in general portrays a bleak economic future for the Midwest but highlights Peoria as a quote “beautiful
little city in central Illinois that may have imagined the Midwest’s future.” He goes on to say that Peoria has quote, “gone through deep decline, has picked itself up, counted its strengths, put them together, and used them to build a new city that doesn’t look much like the old, 20th century Peoria but may be a model for the new century.” The Heartland Partnership and its president, Jim McConoughey, are featured in the book, and deservedly so. We thank them for their continuing hard work, vision and contribution to the central Illinois economy.

One point Longworth makes that is worth emphasizing is how Peoria remade itself without waiting for someone above in the federal or state government or some foundation to tell us how to do so. Much of our recent success has been bottom-up, not top-down. While we have certainly benefited from federal & state assistance for certain projects, like the route 74 construction, many of the initiatives that are remaking Peoria have been brought about by local leaders with a vision and determination to get things done. It is that spirit, that pride that exists in our community that makes me confident we will not only survive the challenges, we will turn them into opportunities to make our city even stronger. As I discuss some of the successes we’ve shared in the past year, take note of the many that are locally driven by innovative leaders in our community.

We’ve all heard the marketing efforts of the Heartland Partnership and local media outlets reminding us that “It’s better here” in Central Illinois. And I’m here today to tell you it truly is. One of the strongest examples is that our financial institutions did not get caught up in the sub-prime situations. Instead, they made solid financial decisions which have spared us much of the pain other communities our size and larger are experiencing. And as difficult as it’s been to endure employment reductions at our own Fortune 50 leader Caterpillar, Inc and others, these pragmatic business moves, though painful, should improve our ability to prosper when the business climate improves. We all know people who have been impacted by the slowing economy, and we should all commit to helping our neighbors get through these difficult times. Doing so will help our entire community remain strong and build upon the strong momentum we’ve
gained in so many areas, only some of which I’ll have time to recap in the time we have together today.

- One example, in the spirit of reaching out to support our entire community, is that in 2008 Planning Director Pat Landes and I identified a grant that would use the expertise and commitment of the Planning Commission and Planning Staff to design and offer an outstanding public engagement process using electronic surveys and public forums to ask the public what they want for the future of our community. While we had a great response from citizens voicing their opinions and visions for the future, the Commission and staff were concerned about two groups that were underrepresented – the young and African-American members of our community. To tackle those concerns we went into action.
  - Council Members, Planning Commissioners and staff spoke with over 20 classes at 6 high schools to find out what youth wanted in their community.
  - A focused outreach plan was implemented that tripled the response rate from the African American community.
  - Over 2,200 citizens provided input on the plan which will be presented to the Council in early spring for review and adoption. The adoption of the new Comprehensive Plan will generate a substantial work program for our land use Commissions and staff as they revise subdivision and zoning ordinances.

A special thanks to Chairman Ray Lees and the Planning Commission, the APA for the grant, our community for strong participation, and Council members Jacob, Spain and Turner for their time at the high schools. Also kudos to Director Landes, Ross Black and the rest of the Planning, Growth Management Staff.

- Through the leadership of Council member Jacob, City Manager Holling and Public Works Director Dave Barber, the Council funded the Mayor’s Youth Corps Summer Improvement Program that employed nearly 60 Peoria youth and seven teachers to help address issues of debris and overgrowth
in our alleys and neighborhoods. We completed this within the budget established for the program, and in just 10 short weeks this group collected over $58,000$ pounds of waste and litter, over $35,000$ pounds of weeds and branches delivered to the landfill compost site, plus an additional $87$ truck loads of weeds and branches delivered to our Darst Street site, along with the collection of hundreds of discarded tires. This program provided a very positive working experience for these young members of our community and instilled a real sense of pride and ownership to the program. Due to budget constraints this year, we’re still looking for funding to keep the program alive in 2009. If any of your businesses would like to help us underwrite the program, please contact me as soon as possible so we can begin the planning process for this summer’s program.

• In the same vein of beautifying our community, in my first State of the City address in 2006 I issued a challenge to this group for someone to step forward to address a basic quality of life issue in Peoria….litter. We were very fortunate that our first Litter Czar, Steve Pierz accepted the challenge and organized an army of concerned citizens to battle against the blight of litter. **And what a job he did.** Steve stepped down as the leader at the end of 2008, and today I’d like to formally introduce the group’s new leader, Mr. Steve Griffith. My sincere thanks to Steve Pierz for the tremendous start, to Steve Griffith for taking over, and to this entire dedicated group who are making a huge difference in beautifying our community on the way towards their goal of making Peoria the cleanest city in the United States.

Public Safety is a critical component of a strong community and we are lucky to be served by very strong contingencies in this arena.

• In the area of **Fire prevention**, our Fire Department did its usual job of saving lives and millions of dollars in potential property damage in their typical humble, unassuming way. With leadership from 4th District Councilman Bill Spears, we opened the new Station #13 on Gale Avenue at a cost savings of several hundred thousand dollars less than our previous new Station #19 built 6 years ago. Station #13 was designed utilizing green
technology and blends very well into the neighborhood. Other notable Fire department highlights included:
- The spectacular fire that occurred at Thomas Jefferson School on a Sunday morning, and even though the fire had burned unchecked for an extended period of time prior to notification, the PFD responded with the optimal mix of staffing and equipment to keep this potentially disastrous fire to a one-room content fire.
- In a unique arrangement between the City, Firefighters Local #50 and Advanced Medical Transport, a partnership was established to deliver the best pre-hospital care our community has ever seen. Soon, we will have Advanced Life Support engine companies in areas of the city that need it the most. Our highly trained fire personnel responded to nearly 10,000 EMS calls last year – that’s nearly 30 every day – and our citizens receive timely and well-trained response in these emergency situations.

- Another area of progress was a much-needed upgrade of our Emergency Notification System. This is a 50-50 partnership with Peoria County and provides for improved notification to our citizens in times of an emergency. The new system allows not only voice calls, but also allows for citizens to sign up their wireless device to receive voice/text messages.

- **AN AREA OF INTENSE EMPHASIS IN THE LAST FEW YEARS IS CRIME, AND 2008 WAS A YEAR WHEN APPRECIABLE HEADWAY WAS MADE.**
  - Property Crimes were down 9% from 2007
  - Crimes against persons were down 19%.
  - And most notable was a decrease in homicides from 16 to 6……a reduction of 63%.
  - We are pleased with the improvement in these critical areas, but we’re not letting up on the intense focus we’ve placed on them – and there are a few initiatives and investments I’d like to emphasize.
  - Combining progress in personnel and technology, in 2008 the PPD was at full staff with 250 commissioned personnel – more officers than ever in the history of the department – and we also saw a great deal of advancement in the department’s equipment and vehicles. We
purchased 88 new state-of-the-art computer systems for patrol cars, as well as 60 in-car video systems.

- Building upon our focus on community-oriented policing, the Peoria Police Department is introducing a new crime mapping tool in the coming weeks. This program, although still in its infancy, offers law enforcement officers a wide variety of options for tracking specific crimes relative to certain areas.

- A new surveillance vehicle was unveiled in 2008, known as the “Armadillo”. A former armored car, the Armadillo is equipped with video capabilities to record continuously for up to 72 hours in a 360-degree area around it. The vehicle is conspicuously marked “Nuisance Property Abatement” and was specifically designed to target nuisance properties or areas by recording all activities within sight of the vehicle. Early experience has shown that the Armadillo shuts down nuisance and drug activity at problem houses rather quickly. We’ll be adding a second Armadillo soon.

- In addition to our outstanding department of police professionals, we are blessed with a large number of people in our community who have partnered with law enforcement to drastically reduce crime numbers in Peoria. These people include Carl Cannon and his “Choices” program, Pastor William Preston, Reverend John King and his efforts through Riverside Community Church and the Dream Center, and Pastor Tim Bias and dozens of other members of our Faith-based community who organized and participated in the 40 Days of Prayer are but a few examples of collaborations in our community to combat crime. In addition, we have many active Neighborhood Associations throughout the city who are working night and day to keep their neighborhood safe. For helping to maintain our relentless focus on battling crime I’d like to thank the members of our Crime Task Force: Chief Settingsgaard, Sheriff McCoy, Judge Kouri, Councilman Turner, Larry Hawkins, Tate Chambers and Ken Hinton.
• A WORD THAT APPEARED SEVERAL TIMES IN THE DEFINITION OF “PROGRESS” WAS “DEVELOPMENT,” AND AN AREA THAT IS OF VITAL IMPORTANCE TO A GROWING CITY IS ECONOMIC DEVELOPMENT.
  
  o Our Economic Development Director Craig Hullinger and his team have been working very hard to expand existing business and attract new business and jobs to our area. We all know that there are capital projects totaling over Two Billion dollars in our community right now. The newly opened Illinois Medical Center Clinic, the expansions at OSF and Methodist, beautiful expansions and additions at Bradley University, the Glen Oak Zoo expansion, Globe Energy, Firefly and Drumheller Bag, three new schools planned within Neighborhood Improvement Zones and of course, the recently announced Marriott – Pere Marquette Convention Hotel that will change the face of downtown Peoria. Gary Matthews’ project will create hundreds of construction jobs in slow economic times and help us leverage our investment in the Civic Center by attracting thousands of new visitors to our city every year.

• The other major economic development initiative is the museum and Caterpillar Visitors Center. Aptly called “Build the Block”, this effort would literally transform our riverfront into a remarkable attraction of national stature. Caterpillar’s leadership in this, and especially their project manager Mark Johnson, are worthy of note. Not only will CAT build their $40 plus Million dollar Visitor’s Center if the museum campaign succeeds, but they have also made a huge commitment of an additional $13.5 million to the museum campaign itself to help make it happen. I hate to think where this community would be without Caterpillar Inc. The City itself has almost $14 million invested in property, parking deck and infrastructure work. It will be up to the voters of Peoria County on April 7 to determine whether this project becomes a reality or not. I hope the effort is successful.

• **AND WE DO IT ON 12 CENTS.** I always try to remind people in our community that we do what we do for the citizens of Peoria for just twelve cents on your real estate tax dollar.
• THERE REALLY IS A LOT GOING ON IN PEORIA.......AND IT IS BETTER HERE.

The segue from 2008 to 2009 took place in the budget process. To run a city our size with a $170 plus million dollar budget we need to be smart with your tax dollars. As successful business people, you understand the importance of establishing priorities and making plans, achieving a balanced budget and sticking to it. In a tough year for budgets, in both the private and public sector, I am proud of the partnership between the Council, administration and community that resulted in the development and passage of a balanced, maintenance budget with no tax increases. We changed our budget process this year with stated goals, and action plans to meet those goals, to:

✓ Make the budget process more open to the public
✓ Increase transparency to provide a simpler, clearer picture of revenues and expenditures, and
✓ Increase the alignment of staff with the Council and community.

We started off with 2 open houses, followed by an electronic survey, all designed for the citizens to learn about the City’s budget, and provide us feedback on their priorities, potential revenue sources and cost savings. We also encouraged the public to speak at each session where the Council discussed the budget, in contrast to past years when public comment was limited to a single public hearing. We feel that the more open, inclusive and transparent process was a positive improvement and we look forward to making it even better for the 2010 budget process. Communication and teamwork is the key and we owe thanks for a successful budget to you the community, our staff and the Council.

• Well, that was a pretty extensive recap of a challenging year. WHAT’S COMING UP THIS YEAR? Well, we’re looking at municipal elections for the District Council Members and Mayor. One councilmember who will not be returning for another term is 3rd District Councilman Bob Manning. I believe Councilman Manning will be regarded as one of the strongest individuals to ever serve on the Council. His leadership, strong work ethic
and constituent service practices that are second to none – along with his strong business and financial background – will be very difficult to replace. Please join me in thanking Councilman Manning for his service the past four years.

- I’d also like to thank 5th district Councilman Patrick Nichting who has served his area for 12 years, guiding a time of unprecedented commercial and residential growth. Patrick’s knowledge of planning and zoning and his ability to establish fair standards for all developers have been keys to our successful growth in the 5th District. I’d like to thank Patrick for his leadership on the council for three terms, and wish him best of luck in his future political aspirations.

- We have several contested elections for the city council and I hope you take the time to look at the candidates’ views on key issues very closely. I’m encouraged by the quality of the candidates running and hope we send people to the council who can be as effective as the departing members and the returning members who have been critical to our recent successes.

- Also coming this year..................

- **ANOTHER CENSUS.** I reported last year that the Special Census projects in 2004 and 2007 resulted in over $4,000,000 in revenue to the City from 2005-2010. I have asked Councilman Spain to be my liaison to lead the Complete Count Committee to ensure that all Peoria citizens are counted. Councilman Spain will recruit a diverse range of members for the Complete Count Committee to prepare for the April 2010 Census. We worked with Congressman LaHood’s office and the Planning Department to have a local Census office located in Peoria, and for Peoria to be a site for the testing of a wide variety of good paying Census jobs. Thank you to Councilman Spain, Congressman, now Secretary LaHood and his office, and the Planning Department for their efforts to be sure we’re prepared for this important task.

- **THE INESCAPABLE CSO PROJECT.** We will be presenting our Long Term Control Plan to the US EPA. This unfunded mandate from the Feds will likely cost us between $105 and $300 million dollars. The good news is we
have a large group of professionals from many different disciplines who are working together to try and minimize the hurt and maximize technology and green thinking in our plan.

- **PRESIDENT OBAMA’S STIMULUS PACKAGE.** The President’s proposal to stimulate the economy with funding directed at infrastructure improvements is an area we’re paying a lot of attention to. We’ve been so fortunate to have **Congressman** Ray LaHood advocating for our interests in Washington DC all these years. Now that good fortune will continue through **Secretary of Transportation** Ray LaHood’s leadership. We are confident that some of the projects we’ve identified to our Illinois Congressional leaders as well as Secretary LaHood will receive funding. Highway funding legislation is also up for renewal this year and we’re eager to benefit from that as well. And we are fortunate to have our Congressman, Aaron Schock, and neighboring Congressman, Phil Hare, on the Transportation and Infrastructure Committee in the House of Representatives.

- **THINK GREEN.** Last year I created the Commission on Sustainable Development and Green Technology to promote green development technologies in the Peoria area. This commission is being Chaired by Dr. Amir Al-Khafaji, the Chairman of the Department of Construction and Civil Engineering at Bradley University. The commission is composed of citizen leaders with a wide diversity of expertise. One of the commission’s energetic visions is to build a Center for Sustainability and Green Technology right here in Peoria. With Caterpillars leadership in this space and companies like Firefly and Globe Energy doing business in Peoria........why not?

- **DIVERSITY.** Although the Race Relations Commission was slow out of the box, I am confident that this group will also produce results for our community in 2009. I am committed to help this group focus on identifying areas of concern and formulating solutions for them.

- **NEW PROJECTS.**
In addition to the new downtown convention hotel, we’ll be looking for the renovation of Sheridan Village and another new grocery store in the newly annexed Knoxville Crossing project.

We will continue to work with District 150 on the siting and design of new schools and school expansions...resulting in a better product for public investment. We HAVE to revitalize District 150 schools if Peoria is to continue growing. Although not debating which high school should close, I agree that student numbers and economics would dictate the necessity of closing one of our high schools. The decision won’t be an easy one, but after thorough input from everyone with skin in the game, I believe we have to support the principle that we can’t support 4 high schools with the current enrollment.

The review of some components of the Land Development Code will finish for council consideration, to ensure that the code facilitates appropriate development.

You can also expect Council discussion on landlord licensing and parental responsibility in the coming months.

Finally, I’d like to give you an update on a program that is near and dear to me, and may be one of the most important statements our community can make about what we value.... our children and their education.

We began the Peoria Promise last year on a wing and prayer. Our prayers were answered by some very gracious donors and the vision took flight. Our first class of students last August consisted of almost 250 students! I would like to recognize several students from our first class of Peoria Promise Scholarship recipients----Kim Black, Gabriela Fernandez and ......... Thank you for attending. Thanks to some of our dedicated local businesses, nearly $500,000 was raised for this first year class. Next year the pot doubles and we’ll need $1 million dollars. We have commitments for almost half of that so we need another $500,000 for next year’s class which will total close to 500 students.
The Peoria Promise Board was excited to hire its first Executive Director in 2008. For those of you who haven’t met Tara Gerstner, you’re in for a treat. Tara’s energy and passion to make Peoria Promise successful in the long-term is evident. Led By Caterpillar, Illinois American Water Company, CEFCU, ELM, OSF, Methodist Medical Center, RLI, Waste Management and the other corporate sponsors you see on the screen........our children have **HOPE**. They are finding out that every one of them will have the opportunity to go to college because we’re taking care of our future by taking care of their future. A highly educated workforce will benefit you, our business community, and investors in our city. We need your help to be sure the Peoria Promise continues and succeeds. With more dollars, the board of directors wants to expand the opportunity from D150 graduates to any high school graduate who resides in the City of Peoria. Can you imagine that? I can. But we need your help. Please consider an investment in the future of our children, your business, and the city of Peoria. I’d like to ask all donors to Peoria Promise to stand and be acknowledged. Thank you so much for your leadership. I’d love to see this whole room standing next year. Please feel free to fill out a pledge card on your table and hand it to the Peoria Promise representatives as you leave today. You’ll also find a copy of our Annual Report hot off the press at your tables. Thanks to our communication director Alma Brown for her hard work on producing another fine report this year.

We have made a lot of progress in this community. Do we have some difficulties? Yes. Will we face some tough challenges in the coming year? Absolutely. But I believe our character is tested not when times are good but when they are challenging. Peoria’s character has risen to the occasion in the past and I have no doubt we will do so this year.

Thank you for the opportunity to deliver this message today and thank you for the opportunity to serve as your Mayor. I love Peoria and I’m proud of what we’re doing here. I know you are too. Have a great afternoon.