Good afternoon everyone. Please join me in thanking the Peoria Area Chamber of Commerce for arranging today’s address. And it wouldn’t be possible without the generous support from Dewberry and RLI. We thank them as well.

- As Rob already mentioned, the passing of Jim Maloof last week is indeed a huge loss for our community. I’d like to again acknowledge my thanks to Jim for his leadership for decades and wish his family sincere condolences on behalf of all of us.

Before beginning, I’d like to ask you to help me recognize several groups and individuals here today. These folks play huge roles in our community and deserve acknowledgment for their contributions to the State of our City. Please hold your applause and we’ll thank everyone at the end. First,

- My fellow council members. I’m proud to serve with this strong group of leaders. Also our City Clerk, Treasurer, Township Supervisor and Assessor.

- Next our City Manager and his staff. Since coming over to the City, Patrick Urich has really “set the bar high” in the quality of work he expects to come out of the City Manager’s office and the other departments that report to him. You’ll hear more about “setting the bar high” in a few moments. I could not be more impressed with the skills he’s brought to the City.

- County Board Chairman Tom O’Neil, other members of the County Board and Administrator Lori Luther. If you haven’t visited the Metro Peoria website, you need to. Chairperson Mary Ardapple and members Mike Phelan, Andrew Rand, Tim Riggenbach, Ryan Spain and Eric Turner are representing the County and City to address areas of collaboration between these two bodies to provide our constituents more efficiency and better service.

- Special thanks to area Mayors who are with us today. We work together and communicate often to make our region stronger. Mayors Manier, Durflinger, Barra, Mingus, Dillon and Allen. A special acknowledgement to Morton Mayor Durflinger who made the tough decision not to pursue another term this spring. Norm has been a strong leader in our region for many years. His contributions to both our municipal government as well as our schools are unmatched. We wish him good luck and well-deserved relaxation following his retirement from office.

- Finally, all other local and state elected officials with us today. We appreciate your service and representation. Also, please recognize Mr. Erwin Acox, IDOT Chief of Recruitment, who is in attendance today representing IDOT Secretary Ann Schneider. Please give them all a round of applause.

It’s hard for me to believe, but this marks my eighth State of the City Address. After several years of very difficult decisions that translated to a downsized city operation and major staff reorganization, it’s gratifying to speak to you at this event without having to mention additional budget cutting measures.
that will be required to balance the budget. This is all thanks to the hard work by the Council and staff that has helped us stabilize the city’s financial status, and in doing so has created a new and strong foundation upon which we can build for the future of our city. Perhaps even more impressive is that despite the trying times of the past several years we’ve nonetheless been able to use this forum to begin new initiatives and challenge the community to increase your involvement. For example...

- I proposed a community-wide clean-up program that has not only cleaned up some eyesores in the city, but has also brought people together for a worthy cause and instilled Pride in Peoria by picking up trash.

- It was in this forum that I called for the city and county to collaborate and explore areas where we could gain efficiencies by sharing services. Just one great example of this is in regard to the City and County law enforcement discussion, where Chief Settingsgaard and Sheriff McCoy are continuing their due diligence. I’m happy to announce that they have formed a joint committee and have identified 3 cities for site visits: Indianapolis, Nashville and Charlotte-Mecklenburg, North Carolina. Select members of the committee will visit these sites this spring, and by the end of this year we expect to have identified major areas of opportunity to work through to create a customized plan for our community.

- And it was also in this forum that I proposed Peoria Promise, which has been tremendously successful in providing incentives for continuing education at Illinois Central College.

The reason I am thrilled with Peoria Promise, and the reason I remain so committed to its success, is because it provides a direct and positive impact on the first of two significant challenges that we’re facing, and that I want to touch on today before shifting to a focus on our future and how important it is to “set the bar high” as we strategize on how to grow our region.

There’s no doubt in my mind that the biggest challenge facing Peoria and every other urban region is Education. Just last week at our annual Martin Luther King Day luncheon, Dr. Condoleezza Rice, who knows a thing or two about serious threats to our country, noted that the situation in the American K-12 education system is the greatest national security crisis we face.

In Peoria, on one hand we’re facing real and perceived weaknesses with our largest area school district, while on the other hand we’re benefiting from an extraordinary array of educational opportunities. Superintendent Grenita Lathan and her Board are working very, very hard to change both the perceptions and the realities of the quality of our District 150 Schools. Carl Cannon and his Elite program are showing that it’s possible for even our most challenged schools to achieve positive results, and his methods can be replicated in other schools in the city and beyond.

Paradoxically, while we have conspicuous education-related challenges here, we also have outstanding resources. Think about it. In addition to our primary and secondary schools, we have Bradley University, Illinois Central College, University of Illinois Springfield, U of I College of Medicine, Midstate, Robert Morris, Eureka College, and Nursing Colleges at St. Francis and Methodist. You can go to school from kindergarten through Med School and never leave the area!

There are also a couple of newer developments that I’m very optimistic about in regard to education in our community. The discussions about a potential Law School at Bradley, and possible expansion of courses at University of Illinois Springfield in Peoria are at the top of the list. My hat is off to President
Glasser and the team exploring that expansion at our prestigious local University. Also to Chancellor Koch and her associates at UIS for acknowledging the void of offerings in some disciplines and her willingness to consider expanding courses in Peoria. I hope we’re able to see a growing presence from UIS in the near future.

While discussing education, I think it’s important to note that our world class library system in Peoria has made great strides with their expansions and remodeling the last few years. Our Liaison to the Library Board Councilwoman Barbara VanAuken reported to the Council recently that the Library saw a whopping 54% increase in the door count for all branches combined.

And, as I noted earlier, we’re so very fortunate that Peoria Promise continues to mature. Time for a little audience participation – in less than 5 years since Peoria Promise started, how many students do you think we’ve graduated through this program? Let’s do a show of hands – how many think we’ve graduated: 100 students? 250? 500? 1000? The correct answer is over 1000 students! That’s over 1,000 lives permanently impacted for the better, with opportunities ahead of them that would have never been possible if it hadn’t been for this program and your generous investment in their future.

A big thank you to Tara Gerstner who has done an outstanding job as our Executive Director in getting us to this point. As some of you may know, Tara is transitioning to serve on the Board of Directors, and is looking forward to working with our new full-time Executive Director, Sheri McGill, to continue the great momentum of this important program. In addition, the Board has plans to try and raise the funds to expand the offering to all students living in the city of Peoria by the fall of 2014. We’ll need your financial help to get that done. So you’ll be seeing and hearing a lot more about Sheri and Peoria Promise this year. My thanks to all the Peoria Promise Board members and Young Leaders for their hard work and passion to keep the Promise growing.

In addition to Peoria Promise, we also have to look at providing educational opportunities for all students and continuing education for everyone. To that end, along with Dr. Bill Collier, we worked with the Illinois Student Assistance commission (ISAC) and Director Sam Nelson to have them host the first regional College Changes Everything conference in Peoria last October. Sam is with us today. College Changes Everything is a statewide movement to support the goal to increase the percentage of Illinois adults with a quality post-secondary degree or credential from 42% to 60% by the year 2025. By the year 2018, it’s estimated that 64% of all jobs in Illinois (4.4 million jobs) will require some post-secondary training beyond high school. Data from the 2011 American Community Survey indicate that roughly 38% of adults in Peoria have some type of post-secondary degree or credential, and another roughly 26% having some college but no degree. That means 51,000 working-age Peoria area residents have attended college but don’t have a degree or credential. The importance of a degree goes beyond educational levels – it also translates to higher incomes, as college graduates earn on average 38% more than those with only a high school diploma. Working together we need to cultivate a college-going culture for all communities in the Peoria area and provide college-going environments within our school system.

For this and his many other efforts, I’d also like to personally thank Dr. Bill Collier for continuing in his role as our Education Liaison. He has devoted literally hundreds of hours in this unpaid position, coordinating and communicating to people in our community who are focused on providing great education opportunities for our kids and adults. Our community needs to find a way to provide funding to this critical role, and I ask the business community to take leadership on this.
Outside of education, our other major challenge is to keep Springfield out of our wallets. We expect a continued effort to come after “our” dollars to balance “their” budget. Please work with me to express our concerns to our local Senators and Representatives in Springfield. Their job is difficult, but they must protect our Personal Property Replacement Taxes, sales taxes and other revenues that we generate and have agreements in place dedicating them to us.

And I’ve said here before…. the state must address our broken-down pension system. It’s simply not sustainable, and it won’t go away by ignoring it. There is no recipe to improve our city and make it attractive to business growth and expansions when our state can’t adequately address a plan to get our finances in order. We’re looking for the elected state officials from our area to show leadership to get that done, and we thank them again for their hard work.

ENOUGH ABOUT CHALLENGES. I WANT TO FOCUS THE BALANCE OF THIS YEAR’S ADDRESS ON OUR FUTURE. I’d like to talk about a re-energized emphasis on our Sustainability Initiatives and the importance of establishing metrics to measure our progress.

Let me begin by dispelling a myth. As a practical and factual matter, Peoria – and the neighboring communities comprising our larger urbanized area – do not compete with each other for sustainable job creation, innovation, quality of life, economic growth and social progress. The entire region benefits when Bass Pro Shops opens in East Peoria. When Five Points expands because of their success in Washington, it’s a win for the whole area. When the Cancer Center opened at UICOM……..when the JumpTrade Simulation and Education Center comes online……..when the Museum/Caterpillar Visitors center opened……..we all benefit.

So the competition isn’t between the cities within our regional community – the competition is between our overall metropolitan area and other areas of similar size and offerings. We’re working together, and I’m sure that my fellow community mayors in the audience would agree that we are much stronger together than we ever could be individually. We are competing for our very livelihood and future with other “peer” communities throughout the Midwest, and if we don’t set the bar higher than simply tracking each other locally, we will surely lose out in the bigger ballgame of economic and business expansion taking place in neighboring states.

And as in any ballgame with stakes this high, if you hope to win you have to establish goals and performance benchmarks so you can track your progress. Our former City Manager Henry Holling often mentioned a quote to me that he attributed to former Caterpillar CEO Don Fites, though I’ve recently found it is also attributed to legendary Green Bay Packers coach Vince Lombardi. I admire both of these great men, so you can decide... The quote goes something like this, “If you’re not keeping score, you’re just practicing.” I’ll always remember that quote, and it’s particularly fitting in this situation.

To give us a great start in keeping score, we owe a debt of gratitude to the excellent work done by Heartland Partnership in its development of the Economic Scorecard project released last year. There is a copy on your table and you can also view it online at “GREATERPEORIASCORECARD.COM”. The Scorecard demonstrates how we measure up against the “peer” communities I’ve mentioned. Those communities are Chattanooga, Quad Cities, Dayton, Fort Wayne, Grand Rapids, Lexington, KY, Rockford and Springfield, Missouri. The Scorecard makes clear that if we are to truly compete with our peers, we must set the bar higher and benchmark against communities that are truly excelling in establishing and sustaining the climate for business growth and social progress. In addition to the direct peer
communities, the report also benchmarks our region against four “Aspirational” cities, providing us with even more intelligence and ideas on how we can improve.

WE actually stack up quite well on a variety of economic measures with our peer cities, as well as with the aspirational cities.

- In Gross Regional Product growth we’re #2 overall and #1 among our peers
- We’re #4 overall and again #1 among our peers in Per Capita Income
- In Patents, we’re #3 overall and #2 among our peers
- Reflecting one of our greatest assets as a community, we’re #1 among all the cities analyzed in Healthcare Access
- But one of the greatest causes for concern in the Scorecard is our ranking in the percent of our population age 20-64, where we are #9 overall and #5 in our peer group. This is the primary age range for labor force participation. And, the percentage of population age 20-39 – the young professionals – is lower in our region than leading peer cities, with recent trends showing movement in the wrong direction. Our region’s pool of available labor is aging at a faster rate than our competitors, which has serious implications for our ability to meet businesses workforce needs. We must work to attract more young professionals to better compete in the near future.

There is a strong relationship between identifying our peer city competitors, establishing the metrics of keeping score and putting action plans in place to achieve desired outcomes. So while there is a group tracking our Scorecard, our Sustainability Commission is also going to take on a higher profile this year with a more global focus. You’ll recall that the Sustainability Commission was formed several years ago with the mission “to transform Peoria into a community that promotes social equity, green economy, and a healthy environment through policy development, incentives and initiatives to sustain a quality way of life.”

I’d like to recap just a few of the Sustainability Commission’s achievements to date:

- The Commission presented Governor Quinn with the 2011 Sustainability Award
- In Economic Development, Doug Oberhelman chaired the First Executive Summit attended by Elected Officials & Business Leaders from across the globe in Peoria
- Also in Economic Development, this past year Secretary LaHood brought other transportation leaders to Peoria
- Continuing in Economic Development, the Sustainability Commission assisted in bringing a new recycling business to Peoria
- Workshops were offered on the South Side to standing-room-only crowds to provide continuing education for minority- and women-owned businesses
- Just last month, the Commission sponsored a Toys for Kids event at the Gateway Building
- And the commission helped bring the Ambassador of Botswana to Peoria in 2012, and a Peoria delegation will be making a trip there later this year
We should all be grateful for these achievements. The commission will continue to make progress on the journey to take Peoria from a city with minimal focus on sustainability to one with world-class sustainability initiatives. It has been a commendable effort to this point, and it is now time to set the bar high here as well. Peoria Sustainability Commission 2.0 will focus on economic development, social equity and sustainability initiatives for the future. We intend to develop a Strategic Plan going forward to translate ideas into an actionable roadmap for achieving not only regional, but state-wide sustainability. Specifically,

- Moving the focus from a local Peoria-centric model to a regional and state-wide model
- Modify the commission structure to cross-functional teams: Social, Economic Development and Environment
- Focus on utilizing the Commission to build momentum across all critical stakeholders in the region, namely government, legislators and policy makers, corporate and business leaders and public.
- Establish cross-functional teams to create leverage in 4 areas:
  - Marketing, promotion and education
  - Regulations, codes and standards
  - Incentives, grants and funding sources, and
  - Metrics and economic implications
- Create an actionable project list that can be used to demonstrate progress and build momentum.

To give higher visibility to this initiative, I am establishing office space in the Mayor’s Suite for the revitalized Sustainability efforts. I have to thank Sustainability Chairman, Bradley’s own Dr. Al-Khafaji for his willingness to continue his volunteer efforts to provide strong leadership to this important project. To help incorporate the state-wide element, Senator Dave Koehler has volunteered to give leadership to the Commission and I thank him for that. Look for a lot more information about Sustainability 2.0 soon. We’re planning a monthly newsletter and a website linked to the new city website. Look for special events being planned to promote business partnerships and social equity.

I am convinced that next phase of this commission will complement the ongoing work of both Metro Peoria and Focus Forward CI.

As we focus on the future there are some truly remarkable developments to use as leverage for greater growth, diversification and sustainability.

- Just consider that the Museum/Caterpillar visitor Center block has indeed been built and is quickly becoming a desired destination for our citizens and visitors alike.
- The Marriott Hotel project is progressing daily, with demolition beginning to take place to make way for the new courtyard Marriott. And the Pere Marriott is only four months from a new grand opening.
- I’ve already mentioned the Cancer Center at UICOMP and the Jumptrade Simulation and Education Center.
- And on the horizon we have the exciting prospects of expansion of Caterpillar World Headquarters in downtown Peoria. While Caterpillar’s Corporate Headquarters Study continues to be a work-in-progress, the Community and Region looks forward to hearing more this year on the possible future development of Big Yellow’s headquarter facilities. We know that the Company is committed to making strategic decisions and taking actions that best position
Caterpillar for long-term growth and success. Transforming Caterpillar’s global headquarters presence is part of that commitment to creating a culture that drives imagination and creativity, and attracts the best talent available for decades to come. I am glad that Caterpillar will continue to be an active participant in efforts that will positively impact not just Peoria, but all of our surrounding communities that make up the Heart of Illinois region. We look forward to hearing more as the year progresses. This is an ideal time to acknowledge Caterpillar and all they do for this community. This region would not be what it is today, and would not have the bright future it has, if it were not for their presence.

After a great deal of planning and investment, look for exciting things to begin happening in the Warehouse District this year. Among other groups and individuals, our new Downtown Commission, under the leadership of Mark Misselhorn, is placing a lot of focus and deliberation on this “boom area” in our community.

Hopefully you all know that the City of Peoria is dedicated to improving neighborhoods throughout the city. That’s why we are excited to host the 2013 Regional Neighborhood Network Conference. This annual event brings together more than 500 neighborhood leaders from throughout the Midwest to share best practices and learn new strategies to better their neighborhoods block by block. The conference will be held in downtown Peoria on September 19-21. Thanks to Councilmembers Ryan Spain and Eric Turner for their efforts to get the conference here this year. Anyone interested in helping them secure underwriting the event, please contact them after lunch.

And we haven’t forgotten about getting our community connected to passenger rail. Chairman Dean Grimm and members of the Rail Advocacy from Tri-County Planning, Normal Mayor Chris Koos, both of our City Managers and I met with Transportation Secretary Ray Lahood last week to continue to express our needs in this area. It was a very productive meeting and we will be continuing our discussions with the Secretary’s staff in the coming weeks.

As I bring this year’s address to a close, let me offer a couple of quick comments and a special recognition. We’re expecting to hear and see visible and measurable results from the Local Initiatives Support Corporation or LISC, brought to us by Caterpillar. Their focus on revitalization projects in southern Peoria and the East Bluff is sensational. Also, Thrive Capital Partners, Inc. is an equally stimulating start-up focusing on business innovation and development with a focus on improving life in our community. Underlying Thrive is a belief in “Prosperity for All”. To develop a stronger Peoria they will focus on developing a local living economy right here, linking local businesses to leverage purchasing power, policy change, sustainable impact marketing dollars and more. Check out their website at THRIVECAP.NET. We wish Tim Krueger and his partners much success.

Finally, I wouldn’t be able to finish the address without mentioning the largest community-wide initiative that we hope will have positive and sustainable impacts on our communities’ safety and our ability to grow. I’m speaking of the “Don’t Shoot” initiative. In a unique partnership with local, state and federal law enforcement agencies, the US Attorney, State’s Attorney and Community Partners, our community stood up tall and proclaimed in a loud voice that gun crimes are not acceptable in our community any longer. Sending that message loud and clear to those who would terrorize and destabilize our neighborhoods was accomplished, and we will continue our efforts with vigilance, dedication and strong resolve. We know we have a lot of work in front of us but we’ve already seen a drop in shootings in our community.
There are many, many people and organizations to thank for helping us launch this program. We had many corporate donors that allowed us to pay for part of the marketing and other communications. Those companies are listed here. But I want to call out one specific company that really made a difference in our ability to educate the public about what Don’t Shoot is all about. In the early planning stages of Don’t Shoot, I asked our friends at Simantel to help us develop a strategy and educate and empower our citizens to take a strong stance on gun crime in Peoria. Words can’t express the “wow” factor with what they were able to accomplish in short order.

I would like to present Susie Ketterer, Maggie Whalen and team Simantel with the first of what I’m calling the “Mayors Outstanding Community Service Award”. Please join me in thanking them for their dedication and extraordinary hard work on the project.

We live in a wonderful, hard-working, giving community. It is a true honor to serve as your Mayor. Focus on the Future, keep our eyes on our peer competitors and make a personal commitment to do your part to contribute to a stronger community. Every single one of us has an obligation to help make our community stronger. As I do every year, I implore you to identify what YOU are going to achieve to do your part. Thank you to those that have stepped up. To everyone else, make 2013 the year you got involved. Set the bar high. Have a wonderful afternoon and God bless you all.