Thank you for the opportunity to deliver this year’s State of the City address. Thank you to the Chamber for hosting the event and to Dewberry for sponsoring once again.

We know that we have a lot of good things going on although we don’t have the occasion to hear about them that often. Like every other community in the country we have a LOT of challenges. I am very confident that we’re making progress and addressing the challenges and the state of our city is strong and will become stronger as the year unfolds.

I hope you had a chance to catch some of the pictures in the PowerPoint during lunch. I don’t have time to mention all of those projects but wanted to give you all a glance of just a few of the many encouraging things happening in Peoria as we speak.

2015 started off very well with the Caterpillar announcement confirming their intention to rebuild the new World Headquarters here in Peoria. Chairman Oberhelman made it clear that construction would not begin until the global economy showed significant signs of sustained improvement and it could be up to 10 years before it was completed. Even with the reductions in force later in the year, Caterpillar has assured us that would not impact the building of the new headquarters in Peoria. We are incredibly fortunate to have Caterpillar here and making the necessary business adjustments to continue to be the world leaders in manufacturing construction and mining equipment. Thanks to Henry Vicary for his constant efforts to solidify and enhance communications between Caterpillar, City Hall and the rest of our community.

After years of planning and over $10 million dollars in federal, state and local funding, our Warehouse District is finally seeing noteworthy private investment. That’s how it has to work in the older areas of our city. These grand old buildings are beautiful, but it takes a lot of money to bring them into the 21st century for accessibility and life safety. I hope you were able to see pictures from Travis Mohlenbrink’s newest venture “Thyme” in Pat Sullivan’s Sealtest building in the PowerPoint during lunch. Pat Sullivan is a true visionary. He’s been developing the Warehouse District since 1986….30 years!

In close proximity to the Warehouse District we’re very excited at the recent announcement by Karen and Court Conn of the Conn Hospitality group that they have purchased the Cornerstone Building and will be bringing their very successful Springfield concept to Peoria, Obed & Isaac’s! The Conn group specializes in the revitalization of historic properties into viable community-engaging businesses. Their award-winning Springfield restaurant and microbrewery is a proven destination point for locals and visitors alike and we know they’ll duplicate that success and more in Peoria.

Dean Sara Rusch at the University Of Illinois College Of Medicine in Peoria announced at the end of last year that first year medical students will begin classes in Peoria rather than Urbana beginning in 2017. The restructuring will bring 55 more medical students to Peoria every year. The expansion creates a need for 20 new faculty and staff at the College of Medicine alone and will generate about $2.6 million dollars annually to the local economy. Dr. Rusch estimated $2.5 million dollars will be spent over the next 18 months in facility upgrades in preparation for the additional students. Total enrollment will grow from an average of 165 students to about 230 medical students annually. This announcement is great for the University, the medical community and most certainly our City. We will see additional
need for housing and services in the growing residential segment of our downtown and warehouse district.

And downtown isn’t the only area of growth in Peoria. As you know, Peoria is also the corporate headquarters for RLI and they are approximately 400 employees strong at that location. In case you hadn’t noticed, RLI is growing again. The first phase of their corporate campus and renovation project, which included a renovation of the headquarters building at the corner of Lindbergh Drive and Bird Blvd, was completed in November of 2013. Construction on the current project began last March and is scheduled to be completed late this year. The entire renovation project will be a 30 million dollar investment in local labor and materials that will help support RLI’s current workforce needs and future growth opportunities in Peoria. Many thanks to RLI for their investment in and commitment to Peoria. This is a great place to acknowledge our local skilled folks in the building trades who do an outstanding job and play an important role in our community.

Junction City continues to upgrade their Centre in the heart of Peoria on Knoxville and Prospect. Alexis Khazaam and his team have totally transformed their complex. The recent opening of Bushwhacker and Preckshot Pharmacy in addition to other new merchants has been a huge success. While we’re right there…..a HUGE thank you to the Peoria Park District for the finest amenity our community has seen in years with the new bike trail. Isn’t it great?

Methodist College is in the process of growing their new home just north of the Shoppes that will include residential accommodations for their students. And just down the road is the Louisville Slugger Sports Complex. We’ve been talking about it for a couple of years but you’ll really see it take off this spring. The facility features 10 – all synthetic turf lighted fields, online scoring and communication and walk-out dugouts. The 2 Championship fields seat 1300-2500 fans. At 126,000 square feet, when their DOME is completed this year, it will be the largest privately owned dome in the country. Beginning this April, the Slugger Complex will play host to 30 to 80 teams per week. Tournaments in July will see 100 – 180 teams per week. These teams will be staying in our hotels, shopping in our stores and restaurants and visiting our museums, ballparks and other attractions. Thanks to Mark Petersen for bringing this money generating project to Peoria. It will be the gold standard in the Midwest, if not the country.

At the City level there is a lot going on. After the retirement of Fire Chief Kent Tomblin, we were proud to announce that assistant Chief Chuck Lauss would assume the duties as our new Fire Chief. Chief Lauss was the former Chief in Pekin. After he retired in Pekin he worked on the private side for a couple years before joining our department as the Assistant Chief. We’re glad to have him here.

As you probably know, the Council now completes 2-year "balanced" budgets. We all knew 2016-17 were going to be tough budgets to balance. Our General Fund revenues have declined 3% annually over the last 5 years. During that same period of time, our healthcare expenses have remained flat, thanks to the willingness of our employees to shoulder more of the healthcare cost burden. Our salary costs have increased just over 1%, however, pension costs have grown nearly 4 times the rate of inflation annually. Deliberations and discussion on the 2-year budget actually began in January of 2015. An unprecedented number of public meetings and requests for public input were held throughout the year
to identify budget cost drivers to close the projected deficit in 2016 & 2017 totaling over $12 million dollars.

The City Council does not shy away from making difficult decisions, and this year was no different. The balanced operating budget supports public safety and strong neighborhoods and the capital budget increases the city investments in roads. The City closed the deficit by cutting capital spending, reducing retiree healthcare contributions, cutting operating expenses, and increasing revenues. This budget puts more funds into road construction, the highest priority of the public. An additional $5.2 million of road construction is funded through local motor fuel taxes, hotel taxes, and property taxes. This will allow the City to repair and reconstruct major arterials like University Street, Sheridan Road, Western Avenue, and Glen Avenue, and to reinvest in our residential street network. Even with the modest property tax increase, the first of its kind for the City in over 20 years, the City remains a small portion of your property tax bill. Only about 11 cents out of every property tax dollar goes to the City of Peoria.

Speaking of roads, our Sustainability Commission expanded its efforts state-wide in 2015 with a focus on infrastructure. Led by Chairman Dr. Amir Al-Khafaji, a subgroup known as $FIG was formed. $FIG is the Sustainable Funding of Infrastructure Group. They are working with State and Local officials to identify sustainable transportation funding plans for Illinois and thereby the whole country. If it works here it will work everywhere. Our transportation infrastructure is in major disrepair and they’re looking at innovative ways to bring our system into the 21st century and remain sustainable. Another notable sustainability item is that we will be installing two Tesla car charging stations and one universal station in our parking decks this spring.

Another big issue that we will be addressing this spring is the Combined Sewer Overflow problem that our city has been dealing with the US EPA for over 30 years. During heavy rainstorms, our storms sewers overflow into our sanitary sewers and by-pass the treatment plant flowing directly into the river. Our staff and consultants have engineered a 100% green solution to this problem that will save our city millions of dollars to implement while beautifying our city and creating jobs in the process of correcting the problem. The CSO is another unfunded mandate by the Federal Government that will cost our community more than $200 million dollars over the next 18-20 years. The council will be discussing a storm water utility fee to help fund this government mandated fix in the next couple of months. The One Water Committee storm water utility study will provide additional areas for discussion. We will be holding numerous public information meetings to fully inform our community of the process and associated costs.

The Council is utilizing other modest fee increases to expand our successful residential police officer program. Councilman Spain was instrumental in bringing this program here from Elgin Illinois. We currently have 3 officers living in areas on the east bluff, south side and central city area. In 2016 we will be adding an additional residential officer in a strategic area in need of intense police focus. We’re also working with the NAACP and other groups to increase minority representation in our city workforce, especially the fire and police departments. This includes expanding our police explorer program and
introducing a similar program in the fire department. Our goal is to have our workforce bear a close resemblance to our diverse community.

Councilwoman Denise Moore is playing a strong role in growing more minority entrepreneurs in our area. She founded the Black Business Alliance in Bloomington/Normal in 1997 and the Peoria chapter in 2013. The BBA educates its members on all facets of business growth, development and sustainability. Both the Bloomington and Peoria chapters operate radio stations that provide educational and awareness information that is directed primarily to the minority community. The upcoming launch of the Minority Business Development Center in Peoria will provide an increased layer of assistance to minorities, women and veterans. Councilwoman Moore is too modest to tell most people (but I’m not) that she founded the organizations, both radio stations and now the development center. Congratulations and keep up the good work Councilwoman Moore.

I’d like to take the remainder of our time this afternoon to concentrate on a couple of very important topics for our community to focus on. I will ask for your help with these in advance. None of our challenges are going to be addressed appropriately without wide community support. That means everyone in this room and everyone you deal with on a daily basis. Please accept some personal ownership in these areas.

I was able to attend the first ever “State of the Schools Address” presented by Dunlap District 323 Superintendent Lisa Parker last Wednesday. What an exciting presentation. We should all be enthusiastic and supportive of their progress because let’s face it……almost 80% of Dunlap students have City of Peoria addresses. The majority of Dunlap students are city of Peoria kids! Congratulations for the 323 school board and administration. And good for all of us too. Strong school districts make strong cities.

And let me tell you something equally exciting….right now, the stars seem to be lining up for School District 150. We all know the struggles they’re dealing with. Like other large urban districts, there is a high poverty rate, high student mobility and many other social issues that contribute to a tough environment to teach and learn in. I join a large and growing number of people in our community who are very encouraged by the leadership of our NEW Permanent Superintendent Dr. Sharon Desmoulin-Kherat. Since she was named Interim Superintendent on July 14th, 2015, she has worked hard to build relationships within our community that are not only engaging all stakeholders, but are also helping to raise the bar in our largest school district and take our schools, in her words “from good to great”. And look out now that the “Interim” title is gone!

Dr. Kherat has embarked and turned around an impressive five year strategic plan that gives all of us clear direction. You will see her vision from the creation of an Office of Social Emotional Support as part of her Healthy Community Initiative which will provide a foundation for better adjustment & academic performance to significant progress in the high schools and within the business and secondary education communities. With support from the Pathways to Prosperity initiative, Peoria Public Schools continues to grow and offer more career pathway options to students and connect them with internships, work study programs and career mentors. Dr. Kherat is working with her Board and other community leaders
to find creative ways to minimize impact on taxpayers when it comes to the continuous trend of
unstable funding from our state, but focus is also given on working together to maximize resources and
build together a quality future for our city. By engaging all stakeholders and removing silos within our
community, Dr. Kherat’s leadership is not only enhancing our local schools, but is also helping lay the
foundation for a successful future.

I believe that Peoria is on the verge of an Initiative that can and will be a game-changer for our city AND
District 150 as we continue to investigate and hopefully implement the successful “Alignment” process
that has been successful in Nashville, San Bernardino, Elgin and Rockford among other cities around the
country. The Alignment model was formed in response to growing nationwide interest in a model of a
coordinated support framework for youth empowerment and success. The Alignment network is a
national network of shared practice. The vision is “to lead and develop a national community of practice
that seeks to innovate and improve collective impact strategies based on Alignment Principles,
Structure, Process and Technology. A team from Alignment Rockford has been very accommodating to
a group of local leaders including Jeff Griffin from the Chamber, Beth Derry, Regional Supt of Schools,
Tom Fliege, Glen Barton, Jennifer Daley from the Greater Peoria EDC and Dr. Kherat. I would encourage
everyone here today to learn more about Alignment. Contact myself or one of the people I just
mentioned to get a presentation for your group. This could truly be the Initiative this community can
finally embrace to address our school district issues and move it forward together. Congratulations to
President Ross and the entire D150 Board.

As you look up here and see the banner behind me, please remember that your support of Peoria
Promise is critical. We rely on 100% donor support and like other not-for-profits, we’re struggling right
now. We can use your help.

The other area in need of assistance is PCAV, the Peoria Community Against Violence. You all know
about Don’t Shoot which continues to drive violent crime down in our community. PCAV is the real
power behind Don’t Shoot. PCAV is us.............all of us. We as a community need to take control of our
destiny and all of us have a place and a voice in the process. PCAV needs you and we need leaders and
others to support them. Please get in touch with me if you’re interested in learning more and helping us
grow PCAV.

You know it seems like there are always a lot of “asks” in this address every year. We all know that we
have a very giving community. For the past three years and again this year, it is a real honor for me to
be able to recognize an organization or person in our community that really goes above and beyond
what we expect of our citizens and businesses. I wish there was time to give out 50 of these but there
isn’t. And I thank all of you who do give back to make our community what it is with hopes to make it
even better.

This year I’m recognizing a person AND a business.

I have nowhere near the time I need to read off the individual’s personal community engagement as
well as the company’s corporate giving in our community so I’ll just give you a few examples:
This person is a Director on the Illinois State Ambulance Association, Director and Past Board Chairman of the Heartland Community Clinic, County Board Chairman since 2014, Director Multi-County Narcotics Enforcement Group, and Director and Past Chairman of the Metro-Peoria Committee. He previously served on the Board of LISC, the Heart of Illinois United Way, and Tri-County Regional Planning Committee. He’s also the CEO at Advanced Medical Transport as if you hadn’t already figured it out. Mr. Andrew Rand.

As for AMT, they are a model for outstanding corporate participation and investment in the community. AMT employs over 350 full-time staff. They cover 65 communities and respond to over 54,000 calls per year in those communities. AMT provides free meeting space for many community groups including the Neighborhood Alliance, Elite Youth Program and CASA just to name a few. AMT employs adults with special abilities and provides Peoria’s Community Crisis Center clinical staffing assistance. They are a community leader in combating sudden cardiac arrest, provide major support for the Peoria Fire ALS initiative and partner with the United Way to provide 211 information and referral service. They also support Friends of the Children of Haiti and donate surplus ambulances to Cruz Roja, the Red Cross of Costa Rica.

I’m not even scratching the service, but you get the message here, right? AMT contributes over $150,000 per year in direct financial support to area non-profits annually including: Susan G Komen, Night Out Against Crime, Run for the Warriors, Children’s Hospital of Illinois, Boys and Girls Club, Special Olympics, Family House, the City of Peoria residential police officer program and many, many more.

Please join me in acknowledging and thanking Andrew Rand and AMT, recognized this year as the Mayor’s Outstanding Community Service Award winner.

In closing, I’d like to give a warm Peoria welcome to new Bradley University President Gary Roberts and his wife Donna Carr-Roberts. We’re excited to have them here and our community stands ready to support their efforts on the hill. And the same goes to their Athletic Director Chris Reynolds. Welcome home Dr. Reynolds

I’d like to conclude by thanking my colleagues on the Peoria City Council. I’d also like to thank our City Manager Patrick Urich and his outstanding staff and all of our hard-working city employees for the fine work they do on our behalf. I’d also like to recognize all the other local and state elected officials here today as well as teachers and school administrators tasked with educating tomorrow’s leaders.

It is an honor to serve as Mayor of our fine city. We have many challenges, but we have many people willing to help carry that weight going forward. I hope you’ll be a part of that team. As you leave today, ask yourself what am I going to do to play a part in making our community stronger in 2016? Drop me a line and let me know. Here’s to a healthy, safe and prosperous year. Thank you for coming today and may God bless us all.