



Mayor Rita Ali's 2022 State of the City Address

Peoria: A Center for Prosperity and Opportunity

Thank you, Cindy, for your very kind words and for the leadership that you and Hanson Professional Services are giving to Peoria. And thanks everyone for joining us at the beautiful Scottish Rite Theater, a wonderful example of Peoria's renaissance!

Thank you to Peoria Chamber CEO Joshua Gunn, to his talented staff, and the members of the Chamber board for hosting this special event; They offered, and we agreed, to do something a bit different this year – a little later in the day, a unique venue, a little jazz – I like it and I hope you do too. Thanks to all of the sponsors for supporting this State of the City event, and to each of you for your amazing attendance today.

This is my first state of the city address, and I'm proud to report that the State of the City of Peoria is Strong! Yes, Strong!

Before I go into the details, allow me to thank just a few more people.

The work of running city government for a city the size and complexity of Peoria is difficult. It can't be done well without the commitment of its leaders and the hard daily work of its staff. Our first bridge of collaboration is between elected officials and city staff, and it is a basic ingredient in our recipe for success.

I want to recognize and thank my colleagues on the Peoria City Council. Please accept my gratitude for the support you have given me, in this new role this past year, and for your tireless dedication to making Peoria better. Please stand City Council (those that are present) – help me to thank them for their dedicated leadership.

Next, I want to thank our highly capable Peoria City Manager, Mr. Patrick Urich, his multi-talented department heads, and the entire team of 653 individuals that make up the staff of the City of Peoria. They are our boots on the ground, our warriors, and our day-to-day task masters that keep things moving for those that we serve. Please stand City Staff (those that are present) – help me to thank them for their ongoing service to the community.

City Council, City Staff, working Together, with our community partners and our state and federal representatives, have achieved many of the results you'll hear about today.

Now, back to our Strong City.

Let me start with the numbers:

- The City's Overall Revenues totaled \$252.1 million in 2021, up 15% from 2020.
- Overall expenditures totaled \$230.4 million in 2021, up 7% from 2020.
- The City of Peoria was able to weather the worst of the pandemic financially!
- Revenues in the City's general fund are up 32%. These Revenues were boosted in 2021 by a 34% increase in State revenues totaling \$54.9 million. The largest growth was seen in sales and income tax receipts.
- Local revenue sources are up 24% with the largest increase seen in home rule sales tax.

- The City was also the recipient of \$47 million in American Rescue Plan Act Funding – a big relief needed to make investments we would not have otherwise been able to make. ARPA funding had a huge positive impact on our budget.

And the City’s \$60 million capital budget this year is the largest in more than twenty years. The primary investment is in our infrastructure – our roads, sidewalks, smart street lighting, facilities, and equipment.

Peoria, we are Resilient!

We got pretty beat up by the global pandemic, but we are digging our way out – we are not thriving – but we will eventually get there!

An article published in January of this year by the Economic Growth Initiative at the George W. Bush Institute reported the five characteristics of cities which rise as centers of prosperity and opportunity:

1. It should be no surprise that they are places that ensure an emphasis on learning and innovation.
2. Rising cities are open to newcomers and unorthodox ideas.
3. They have a favorable environment for commerce.
4. Offer a good quality of life for their residents.
5. And have a strong sense of shared community.

Peoria has each of these characteristics – let’s examine them one by one.

First, we are a city with premier institutions of learning and innovation:

Bradley University and its state-of-the-art Business and Engineering Convergence Center is just one example. Collaboration by design, the center integrates civil and construction engineering laboratories with business school facilities, providing among the best of project learning platforms in the nation. Those that haven’t taken a tour, I encourage you to do so.

Illinois Central College recently broke ground for its new Workforce Sustainability Center which will expand its offerings of training across our region in high demand, well paid career fields.

The University of Illinois Peoria College of Medicine at Peoria produces the largest and most diverse cohorts of physicians in Central Illinois.

The USDA National Center for Agricultural Utilization Research – our Ag Lab – has long been an incubator for innovation – its where Penicillin was successfully commercialized, saving millions of lives. Its staff of 250 scientists and support people improve our agricultural production, help keep our food safe, and advance economic development and job creation. It recently received \$4.5 million in funding for climate resilience and biomanufacturing.

And the new OSF Healthcare Cancer Institute will be a lighthouse for groundbreaking cancer treatment and cancer research for people all across the world. The 180,000 square foot building will house proton beam therapy that will reduce treatment times and lessen side effects –

exemplifying the OSF commitment to providing great care and love. Finding the cure for cancer could happen right here in Peoria my friends.

Bradley, ICC, UICOMP, Methodist College, OSF School of Nursing, our K-12 institutions – they are all working differently, and interdependently, to serve a different generation of students and future leaders. A generation that embraces technology, innovation, and change.

We have an unparalleled library system. In learning and innovation – Peoria gets an A.

The second characteristic of a rising city is to be open to newcomers and unorthodox ideas. We are growing in this area.

Angie Ostaszewski has become one of Peoria’s biggest cheerleaders, using online tools and social media (including Tik-Tok) to literally recruit people to live in the city she and her husband have come to love. It is estimated that Angie has recruited more than 155 people to move to Peoria over the past few years. And she does it by accentuating the positives, the affordability, the history, the culture, the people. Thank you, Angie, for giving John Morris some competition as one of Peoria’s biggest cheerleaders!

A recent housing study showed that Peoria’s warehouse district and downtown areas are becoming big attractions for young people, empty nesters, healthcare professionals, and those wanting to live near the river and urban core amenities.

I have been reading about prospering cities that grew their economies and populations by welcoming immigrants and refugees who worked hard and ultimately prospered and remained in those cities. Today, cities across America and the world are beginning to welcome Ukrainian refugees whose lives have been torn apart because of the war with Russia. Communities are helping these families to pull their lives back together and to find another home away from home. Many of these refugees bring skills and talents from the daily work they performed in their home country. I don’t know about you, but I would welcome Ukrainian refugee families to Peoria. Invite them to fill some of the unfilled jobs we have due to skills gaps; invite them to our places of worship, our social events, and our homes. Peoria has always been a community that cares.

Think about it. Let’s think big and out of the box.

One newcomer that became attracted to Peoria is Reagan Leslie, owner of Leslie Tyler Designs. Let’s watch this video as she describes why she chose to live and work in Peoria.

Ms. Leslie joins us today – please stand – thank you for choosing Peoria to live and operate your business.

In our efforts to create a more favorable environment for Commerce, the City:

- As part of our Grow Peoria Initiative, launched the R.I.S.E. (Recovery, Income, Startup, and Expansion) program providing up to \$50,000 per company in grant funding for small businesses impacted by the pandemic to support their capital needs.
- We are working with our state legislators to offer more tools and incentives to support new and existing businesses in the Peoria region. The Peoria Chamber, Discover Peoria, and the Greater Peoria EDC are all great partners in these efforts.

We continue to aggressively, and collectively, pursue external state, federal, and private funding to support our various needs. There is an unprecedented amount of OPM available – Other People’s Money – and we’re going after it!

- Examples of pursuing OPM are the City’s applications to the federal government for \$120M in grant funding to reconstruct Pioneer Parkway and construct a new overpass connecting it to Route 6. This will, no doubt, be good for business.

The Peoria Chamber of Commerce conducted 110 new business ribbon cuttings this past year, a good sign that entrepreneurship is on the rise in Peoria.

I’m happy to know that Distillery Labs is slated to open its doors next Spring. It will occupy a newly renovated former ICC building downtown where many new innovative businesses will be housed and nurtured to grow and succeed.

The Peoria NEXT Innovation Center has been welcoming new business tenants like Velocity Labs, which opened its doors in Peoria last year. Let’s look at a short video about this company.

Velocity Labs founder Dr. Shane Needham joins us today – please stand Dr. Needham – thank you for choosing Peoria to grow your business.

We have a great, diverse base of private industry here in Peoria. From start-ups like Velocity Labs to giants like OSF Healthcare, Unity-Point Health, and Caterpillar to our many small and medium sized businesses, we have some wonderful employers who understand that Peoria is a great place to do business.

People are flocking to the expanded Keller Station which now features 32 local businesses with another 7-10 projected by year’s end. This is a property that has not been on the property tax rolls or collected sales taxes since the early 1900’s.

Natural Fiber Welding, a fast-growing Peoria based company that makes leather and plastic substitutes from plants and recycled cloth is partnering with well-known global brands such as Ralph Lauren, BMW, Allbirds and Patagonia.

Virtusense is another exciting Peoria based innovator whose fall prevention technology is in very high demand from hospitals and nursing homes around the country.

New company, Pringle Robotics has chosen Peoria as its international headquarters and, like these others, expects to hire a significant number of new employees over the next year. Let's look at a short video about this company.

Pringle Robotics founder Sudheer Sajja joins us today – please stand Mr. Sajja – thank you for choosing Peoria as the home base of your business.

Another economic driver we are aggressively pursuing is passenger rail service from Peoria to Chicago. As part of an IDOT sponsored feasibility study, a public interest survey was conducted with nearly 95% of 31,200 respondents indicating they would be very likely or somewhat likely to use that service. Another study conducted by Hanson Professional Services identified the three most feasible locations, all downtown, for a Peoria train station. Within the next week or two, we will hold a news conference to share the details of both feasibility studies and describe the next steps in this process. Until then, I can only say that I am very optimistic!

I want to thank former U.S. Secretary of Transportation Ray LaHood for his tenacious leadership in this collaborative effort. Thank you to our state and federal elected officials and all the stakeholders that have helped move this initiative forward.

The fourth characteristic of a rising city is the offering of a good quality of life for residents.

A quality home, arts and culture, good jobs, equity, and public safety are hallmarks of a good quality of life.

(Home Ownership)

Peoria's housing market remains strong, and our city is nationally acclaimed as one of the most affordable places to live in America.

Two weeks ago, the City introduced its new home down payment assistance program which will provide homebuyers within Qualifying Census Tracts either \$5,000 or up to 10% of the purchase price of a single family home purchase at or below \$125,000 with a primary mortgage. This funding is stackable, meaning it can be combined with other programs for residents to obtain up to \$11,000 or more for a down payment on their home. This is a super opportunity and we've partnered with the Peoria Area Association of Realtors to help market the program.

With the leadership of Phoenix Community Development Services, the Dream Center, and other housing partners, Peoria is well positioned to eliminate homelessness for families over the next one to two years. Thank you, Christine, – you're awesome!

The City will demolish two old schools on the South Side which have been vacant for decades, and have become eyesores and safety hazards. A grant secured through the Peoria Association of Realtors will help the city and community to reimagine those areas for future development.

Another new, vitally important initiative is our Land Bank. The Land Bank was established last year to return properties to productive use, to improve quality of life in blighted neighborhoods, to stabilize our tax base and create opportunities for public and private investment.

I want to give a shout out to Community Development Director Joe Dulin and his team for this important work.

(Arts and Culture)

We are bouncing back from the pandemic with record crowds at Civic Center events. The Peoria Symphony Orchestra celebrates its 125th year. Louisville Slugger is operating at capacity with tournament after tournament. And the Peoria Rivermen brought home the President's Cup! I'm Peoria Proud!

(Good Jobs)

There is no good quality of life in a city without good paying jobs.

Most of my professional career has been in the area of workforce development and for years we warned of the skills shortage coming to America. Well, it has arrived and almost every industry feels its wrath.

The Regional Workforce Alliance, sponsored by the CEO Council, is working collaboratively to address the workforce skills shortage and I thank them for their work.

OSF has grown to become the area's largest employer, with over 13,500 employees. Their human resources staff shared with me last month that they have over 1,000 local openings. Good jobs, great careers.

I'm thrilled that OSF has, once again, shown their commitment to Peoria by renovating an iconic building, in the heart of our downtown, for their headquarters. This building was originally built in 1904 as the Block and Kuhl department store. Over the years it became the Carson Pirie Scott department store, and then the Jefferson Bank building. Now it will be the base of hundreds of OSF employees whose presence will bring some much need revitalization to our downtown area.

Unity Point Health is also a major regional health care employer and institution, operating two major hospitals and dozens of smaller offices in the city. They have become the largest provider of child and adolescent behavioral health in this region and recently purchased the former Heddington Oaks facility to expand these critically needed services. Their *Young Minds Project* will reduce youth suicides and help to change the trajectory of thousands of young lives and their families.

Caterpillar remains as a stronghold in Peoria employing more than 12,000 people in our region. We don't expect that to change. And jobs are plentiful at education entities like Peoria Public Schools, ICC, and Bradley.

Peoria has many good jobs – waiting for people with the right skills to take them.

(Equity)

One of my first acts as Mayor, together with Peoria County Board Chairman Andrew Rand, was to appoint over 150 city and county residents to the new Joint Commission on Racial Justice and Equity. The commission's makeup reflects the diversity of our community and its deliberate, data driven work will help to eliminate disparities based on race and create equitable practices within local government and beyond.

This effort will help Peoria in offering a better quality of life for all of its residents. I'm very much looking forward to the Commission's First Annual Report-Out tomorrow night at the Peoria Civic Center.

(Public Safety)

Safety is a basic quality of life essential.

It's well documented Peoria had a record number of homicides in 2021 and 2022 got off to a rough start. But we are seeing signs of progress as it relates to gun related homicides.

Police Chief Echevarria has initiated several effective anti-violence initiatives focused on those who commit violent crimes.

- A multi-agency directed patrol focused on hot spots identified using data driven evidence and intelligence. The patrols have resulted in numerous arrests, gun confiscations, and stolen vehicles recovered.
- Camera technology is deployed, and we are getting some of the worst criminals off the street.
- But our efforts are not just about getting tough on crime – we want to get to root causes of crime. Police teams are knocking on doors, getting immersed in the community, and schools and community organizations are stepping up to offer mentoring and after-school and summer violence prevention programming.
- Peoria is the lead among four Illinois cities to implement a new Police Plus Mental Health Emergency Response Pilot Program that will fund mental health counselors responding to 911 domestic situations when the call requires it. Having these mental health co-responders from Unity Place will more effectively utilize police resources and more specifically address community needs. Thank you, Leader Gordon-Booth, for leading this charge and securing the resources for what I suspect will be a national model.

We've also been working hard to keep the City's fire department fully functional and effective.

The new Edward B. Gaines, Jr. firehouse on Western at Howett will be open soon. It was named in honor of Peoria's first black fireman.

The last characteristic of rising cities is a strong sense of shared community. Peoria, indeed, has this.

We saw it when more than 50 individuals representing 30+ local schools and organizations stepped up last year to say they wanted to be part of the solution to addressing gun violence in Peoria. The Safety Network or S-NET, a system of connected community resources and service providers, will be expanded next month to include residents and neighborhood organizations in qualified census tracts and hot spot areas throughout the city. The police and the community, working together, is the only way we will sufficiently keep our neighborhoods safe.

Another major effort reflecting a strong sense of shared community is the Peoria Cradle to Career Initiative, a plan to transform Peoria zip code 61605, one of the most distressed zip codes in the nation. Led by Illinois Central College, Peoria CCI is a community-based partnership that includes Peoria Public Schools, the City of Peoria, the CEO Council, and 30 additional committed partners.

The \$30M Promise Neighborhoods federal grant application required a \$30M local match. But the Peoria community stepped up last year with a \$49M local match. The U.S. Department of Education funded 8 projects nationally and our application was ranked number 11. So close! We were encouraged to reapply this year, and once again, Peoria stakeholders have committed almost \$50M in a local match for our re-application. This is a shared community!

Peoria is trending positive in the characteristics of rising cities despite our ever-present challenges.

I'm so optimistic about the future of Peoria for all the reasons forementioned.

Going forward – we will be undergoing a new, comprehensive Strategic Planning process – and we want input and involvement from a broad section of our community. I hope you will join this process.

In closing, I want to thank former Mayor Jim Ardis for the support he has given me throughout this transition year – he's been very supportive publicly and privately. It takes a lot of endurance for him to have led Peoria in this role for 16 years. Thank you for your service, Jim.

I want to thank our state and federal legislators for making it rain with funding opportunities this past year and going forward. We can't rise without them. Please stand - those that are here - please help me to thank them.

Lastly, I want to thank a group of people that have remained in the background assisting wherever I've needed them – starting first as my mayoral transition team and pivoting to become my community advisory team – they've been phenomenal: Paul Joseph, Jim Johnson, Alma Brown, Laraine Bryson, Ellen George, and Theresa Koehler – thank you for your ongoing support.

Joshua and the Chamber team, thank you – I thank everyone for coming. With your help, Peoria will continue to rise as a Center of Prosperity and Opportunity. May God Bless Peoria!