

SHAPING A *GREATER* CLEVELAND TOGETHER

Highlights from the State of the City Address

Frank G. Jackson, Mayor

March 10, 2016



“Achieving greatness will depend on our ability and continued willingness to accept, engage and overcome the challenges before us.”

— Frank G. Jackson, Mayor

For the past decade, it has been my great privilege to serve as mayor of the city I love. Having grown up in Cleveland, I have seen significant change in our city over the years, both good and bad. What I am seeing today has me encouraged about the Cleveland we are shaping for ourselves and for future generations.

I truly believe Cleveland is positioned to become a great city. But greatness is not guaranteed. Achieving greatness will depend on our ability and continued willingness to accept, engage and overcome the challenges before us.

Attitude

I am greatly encouraged by the progress we are making together, starting with the way we look at ourselves and how others see us. The challenge of attitude is one that Cleveland has met and gone a long way in overcoming.

At my first State of the City address soon after I became mayor, a lady asked me what I was going to do about the way people – including Clevelanders – viewed Cleveland. She certainly had a point – outsiders viewed Cleveland as a joke and mistake, while Clevelanders were clinically depressed with low self-esteem.

All that has changed. Outsiders are now pleasantly surprised at what Cleveland has to offer, and more and more Clevelanders believe in Cleveland and talk with pride about the new Cleveland.

There is not just one thing that caused the change in attitude – it was gradual. Cleveland became the place where businesses wanted to locate, where people wanted to live and where some neighborhoods became destinations for food, entertainment and lifestyle.

Cleveland became a place for moviemaking, the Rock and Roll Hall of Fame induction ceremonies, the Senior Games, the Gay Games and, this summer, hosting the Republican National Convention.

This new, winning attitude has helped us overcome difficult times and make tough decisions.

Education

Everything Cleveland has been successful at is because we have done it as a community, with a winning attitude. The greatest example of this is Cleveland school reform.

Democrats, Republicans, business, labor, district and charter schools, and the philanthropic community came together to shape school reform. But it was the citizens of Cleveland who closed the deal by voting to support an operating levy in 2012 and a capital levy in 2014.

There have been many tangible results so far, including expansion of high-quality early childhood education and the third grade guarantee, great strides with early literacy, strong improvement on the National Assessment of Educational Progress and an increase of almost 14 percent in our graduation rate since 2011.

Nevertheless, we know we must continue to improve the graduation rate and many other areas, and we are working hard to do so.

The voters’ willingness to support the renewal of the operating levy this fall will test our resolve to have true reform and serve as a vote of confidence as to whether we are moving in the right direction.

An intangible indicator that the school system is, indeed, moving in the right direction is the positive attitude of

students, parents, staff and teachers. They believe that we can and will be successful.

Education is key to our success. A city that provides quality education for its children will retain and grow population, maintain and attract business, as well as position itself for the future.

Economic Development

Cleveland is blessed with a diverse economy with particular strengths in health care, education, research, financial services and manufacturing. We are very fortunate that all of those sectors have experienced growth over the past decade and helped to drive nearly \$3 billion in economic development investment.

Unfortunately, the benefits of economic growth and investments are not felt evenly across the city. The traditional model of economic development tools and programs simply does not work for every neighborhood.

Thus, we changed our investment model to help many of our neighborhoods achieve economic growth. We are working on a new model that will allow for public investment and better ensure that the public investment will create economic growth that will not require perpetual subsidy.

I am not looking simply at projects, but the meaningful transformation of neighborhoods. Our goal is to create a policy that leads to economic growth and wealth creation among those who are traditionally left out, and that encourages the private sector to take risks where it would not have done so before.

To help in this regard, I have created a \$25 million development fund specifically for neighborhoods. This is a necessity to ensure Cleveland's future and will create a demand for a better quality of life.

Service Delivery

City services are essential to the quality of life in Cleveland and its neighborhoods. The City of Cleveland is not a private corporation, so our bottom line is not profit but service delivery. Our continued ability to deliver abundant and quality service will make us a city with neighborhoods of choice, where people choose to live, work, play and do business.

Over the last 10 years, the city has demonstrated sound fiscal management and cost control through operational efficiency. This has carried us to this point, but going forward the city will need additional revenue, not only to maintain service but to increase our capacity to deliver more and better service.

The economic investment we have seen in Cleveland has retained and created thousands of jobs. However, the city's operating budget has not seen the benefit of that in terms of overall revenues. And with cuts in state funding, recession-related losses in property taxes and losses in fines, forfeitures and red light camera revenues, we have experienced a permanent loss of some \$63 million of annual revenues in less than five years.

As a result, we have had to rely on carryover balances to cover the gap of what it costs to operate city government in a given year. But we will not have enough money to carry over to 2017. What this means is that we will not have a balanced budget as required by law.

The choice is to either lay off employees and cut service, or generate additional revenues. That is why we are proposing a half-percent income tax increase, which will raise nearly \$80 million – enough to cover the gap between revenues and costs and allow us to continue to provide quality services and position Cleveland for the future.

Safety and the Consent Decree

During the past year, the City of Cleveland and the U.S. Department of Justice entered into a historic Consent Decree that has already accelerated our progress in reforming the way policing is done in our city. With the Consent Decree in place, our Road to Reform now has a detailed roadmap with measurable milestones and ultimate accountability to U.S. District Judge Solomon Oliver, Jr.

We are actively developing and implementing new policies, protocols and training to ensure bias-free policing, crisis intervention, improved handling and tracking of citizen complaints and much more. Our goal is a strong and safe community where both citizens and police officers receive the respect they expect and deserve.

It is never the challenge that matters. What matters is how we deal with the challenges. All that we do is about people and whether or not they are better off as a result of what we do.

A great city will be measured by the condition and well-being of its people, in particular, the least of us – not in terms of welfare and charity, but whether everyone is able to participate in the prosperity and quality of life that we create as a community. A place where children can live and play safely, receive a quality education and someday find a good job to make a living.

That is the kind of Cleveland I believe we can create.



CITY OF CLEVELAND
Mayor Frank G. Jackson

Mayor Jackson's 11th Annual State of the City Address, delivered March 10, 2016, can be viewed at
<http://www.city.cleveland.oh.us/CityofCleveland/Home/Government/MayorsOffice>