

**State of the City 2012**  
**Dave Bing, Mayor**  
Wednesday, March 7, 2012

To the Honorable Detroit City Council, the Detroit City Clerk Janice Winfrey, Macomb County Executive Mark Hackel, and Wayne County Executive Robert Ficano – thank you all for joining me tonight.

I also want to thank my family for their support and sacrifice during my tenure. And, I want to thank you, the citizens of Detroit, who have continued to passionately contribute to the betterment of our city. Thank you for your commitment and your patience.

Tonight, we are at a critical and pivotal time like none in Detroit's history. It requires real talk, continued transparency, and real action. I want you to know my commitment remains unwavering as I work towards **my primary mission to bring financial stability to city operations and to improve the quality of life for our citizens.** Without that, our city faces an uncertain future. But I'm a believer, and I know we deserve nothing but the best.

As you know, I came into office confronted by a deficit of more than \$330 million created over decades and sustained by the notion of doing things the way they've always been done in city government. That is unacceptable, and we are working to resolve the city's immediate financial crisis and restore confidence in our ability to remain financially viable.

You've seen the headlines about the tentative agreements my administration recently reached with the city's uniform and non-uniform unions, but they don't tell the whole story. The negotiations between this administration and city workers over the past several months were unprecedented in their scope.

The agreements include structural changes in work rules, benefit concessions, and pay cuts, reflecting the shared sacrifice on the part of the men and women of our labor unions and affirming their commitment to ensuring this city's survival. Much work remains to be done.

But I want to take this opportunity, on behalf of the citizens of Detroit, to personally thank our uniform and non-uniform city workers for your tireless efforts and for extending yourselves in these negotiations.

Now, let me say – as I've said from the beginning – I do not want and will not support an Emergency Manager for the City of Detroit. As you may have read in the newspaper this morning, Gov. Snyder and I both agree that an Emergency Manager is not the best option. We're working hard toward a solution to resolve our city's financial challenges.

That said, several months ago my administration adopted and shared with the Governor a phased approach to restructuring City government.

Our initial phase focused on maintaining the city's cash flow, including reaching the tentative agreements with our labor unions. The next phase envisions aggressively downsizing City government and consistently and efficiently delivering core services to our citizens.

But here's where we need the Governor and the legislature's help. We need approval to implement the executed tentative labor agreements. We need financial and operational support. We need changes in legislation to support our overall plan. In other words, we need tangible support.

Regardless of the Emergency Manager Law, Detroit must preserve its financial integrity and maintain control of its future. We have reduced our overall deficit from more than \$300 million to \$197 million. We have reduced the number of employees from more than 13,400 to 10,800, and that number will continue to decrease as we restructure city operations. I have also reduced the number of my appointees from 140 to 95.

But, it's not about cutting our way out of this. It's about redefining who we are as a city, how we operate as a municipality, and how we deliver core services to Detroiters who have stuck with the city, and those who are slowly, but surely, finding their way here.

What's most critical to Detroiters are the services we provide. My administration is taking a critical and measured look at defining our core services, considering what we do well and what we don't to improve the quality of life for our citizens.

Quite frankly, our Public Lighting system – a core service – is literally broken. Too many lights don't work, particularly, where we live, work, and go to school. Again, it took decades to get to where we are, so the problems won't be fixed overnight. But I am committed to working with others to find creative solutions that fundamentally change the way we light our city.

We've taken the first small step. Working with the State and DTE Energy, this month we will complete the upgrade of 900 LED street lights in downtown Detroit and in our neighborhoods, and the repair of over 7,600 street lights throughout the city.

The second step addresses the much larger problem. Tonight, I am proposing a plan to upgrade the entire lighting system in Detroit. My administration will work with the State, DTE Energy, and communities across the city to redesign and rebuild our current system. In the end, street lights will be where we need them, and every light will work.

My proposal includes creating a new city-run authority to manage and finance over \$150 million in construction funding to fix Detroit's lights. We have asked the State to work with us to find ways we can save money in the collection of taxes, and make sure those who owe the City money are paying. These dollars will be dedicated to solving our lighting problem.

I will be working over the next couple of months to finalize the details of this proposal, and I vow to work with neighborhoods throughout the city to move this new lighting

plan forward.

Of course, transportation is another core service we have a responsibility to provide, but the truth is the city hasn't done a very good job of providing it for many years.

And before we talk about the value of Bus Rapid Transit that Gov. Snyder and I believe will energize regional transit by connecting Detroit, the suburbs, Metro Airport and Ann Arbor, we must fix the problems with DDOT. There will be short term pain for long term gain, and there's no way around it.

We've started to fix DDOT with new management that has a well-established, national track record for improving the quality of bus service in transit systems across the country. We're reducing costs and implementing service changes, while keeping fares the same and honoring our pact with DDOT riders to provide on-time service.

We're also upgrading our aging fleet of buses with 46 new buses, 23 of which were placed in service in the last two weeks. These new buses are energy efficient and provide greater comfort for our riders.

Despite these existing challenges, we've accomplished many of our goals over the past year.

We've set out to demolish 10,000 vacant and abandoned structures in my first term as mayor, and by July, we will have demolished 6,000 of these properties.

The Ford Auditorium stood vacant for over 20 years, but my administration obtained the funding to demolish the structure this past year. This represents another step in opening up our riverfront at Hart Plaza for everyone to enjoy. In the short-term, it will be used to expand the Detroit Jazz Festival and the Movement Electronic Music Festival. My ultimate goal is the construction of an outdoor amphitheatre at this prime riverfront location.

The former Uniroyal Tire site, the largest undeveloped property along the Detroit River, is now being cleaned up to make way for a 43-acre private development that will include construction of a portion of Detroit's RiverWalk.

Over the past year, we reestablished our working relationship with the U.S. Department of Housing and Urban Development. HUD Secretary Shaun Donovan has authorized the transfer of the Detroit Housing Commission, which has operated under federal receivership since 2005, back to the mayor's office.

We are committed to working together with HUD and the Detroit Housing Commission to demolish, by the end of the year, one of Detroit's major eyesores, the Frederick Douglass housing development – known to most as the “Brewster Projects.” We will create affordable housing and commercial redevelopment in its place.

I'm also pleased that the City of Detroit continues to work with and have the support of

the Obama Administration. Detroit was one of six cities chosen by President Obama to participate in the White House Strong Cities, Strong Communities Initiative. And because of this collaboration and open communication, we've learned about new resources and new opportunities for our city from the Departments of Transportation, Energy, Labor, EPA and other agencies on the SC2 team, all to build a stronger Detroit.

I also directed my administration to develop a Short-Term Detroit Works Project last year as an initiative designed to repurpose our vacant and unused land in the city, and to complement the previously announced Detroit Works Project. My administration decided to move the project forward, because we understand we must work to have immediate impact in our neighborhoods.

To that end, we identified three demonstration areas last July in Northwest, Southwest, and Central Detroit. Over the past six months we've responded to community requests for services while targeting nearly \$10 million of public and private investments toward neighborhood stabilization.

We listened when Detroiters said they missed having a police officer living on their block, and we responded by launching the Project 14 initiative to encourage our police officers to move back into the city. To date, 15 officers have taken advantage of this opportunity, and there are more to come. It's a win for all involved and we welcome them back to Detroit.

And, effective immediately, Project 14 is being expanded to include Detroit Fire Department, EMS and Homeland Security personnel. Ultimately, we will extend the program to all city employees.

But I know living closer to a police officer or firefighter doesn't keep someone from spraying bullets into a home with an AK-47 and killing a 9-month-old boy, nor does it stop someone from shooting a 6-year-old boy during an attempted carjacking.

Public safety is a top priority of my administration. Detroiters and visitors deserve to be safe in their homes and in and around the city. Do we need more police officers? No question. But until we can make that a reality, I have directed Chief Ralph Godbee, Jr. to leverage every available resource and to utilize our federal, state and local partners to proactively address crime.

Chief Godbee has been both creative and effective in the reassignment of police officers, bringing them from behind the desks and putting them on patrol in your neighborhoods. In addition, our office collaborated with the U.S. Department of Justice to use our \$5.7 million Community Oriented Policing grant to save the jobs of 108 Detroit Police officers.

By implementing the first phase of the Virtual Precinct, the police department was able to immediately redeploy 75 Detroit Police officers from administrative positions to duties where they are needed most. Citizens will still have access to police stations 24 hours a day, 365 days a year for emergency situations. But now citizens won't have to go

to a station to file a non-emergency report, they can do so by phone, which is both more efficient and convenient.

We continue to make progress in complying with the federal consent decree agreement for the Detroit Police Department, up from 29% compliance when I was elected to 82% compliance this past year.

And this past week the U.S. Attorney's Office, DEA, ATF and the Detroit Police Department announced that they have expanded their efforts on our city's east side to crack down on violent crime. This will mean that those terrorizing our neighborhoods will be prosecuted federally and face stiffer penalties.

The city's own new Public Safety headquarters in the vacant MGM building is also on track to open next year. This will centralize and streamline Detroit Police, Detroit Fire and Homeland Security operations.

Unfortunately, the sad but real fact is that when violence affects the innocent lives of our children and our seniors, it has gone too far. No Detroiter should have to live in fear. I'm outraged by the insidious violence in our neighborhoods and in our city, but Chief Godbee and the police cannot do it alone.

We can no longer tolerate this terrorism in our city, and, tonight I want to thank our dedicated community partners and the various community radio patrol groups. I encourage all Detroiters to join them in protecting our neighborhoods and demanding a better quality of life.

Our Youth Violence Prevention Initiative to combat youth and gang violence is actively focusing its efforts on Cody, Osborn and Denby high schools. They reached out to Detroit students and adults, creating an in-school suspension program and more after school programming. They've also held a roundtable meeting with Department of Justice officials, and hosted a basketball game between DPD and a team of students from all three schools to encourage students to get more involved in this initiative.

But what's most important about the game is that it happened, because the students made it happen. It was Donte Kennedy, an Osborn student who attended the initiative's roundtable in September, who challenged Chief Godbee and his officers to a basketball game, because he thought it would be fun. The Chief agreed because he understood it was an opportunity for the students to connect with police officers away from the yellow tape of a crime scene.

With his involvement in the Youth Violence Prevention initiative, Donte – who's here tonight – is beginning to set an example for himself and for other young African-American males in our city. Donte, please stand. Young men like him are the reason I've talked to Roy Roberts about the two of us reaching out and mentoring African-American males in Detroit Public Schools. We know something has to be done and we are willing to do whatever we can.

This also means I will not be closing any of our city's Recreation Centers, even if we must modify the hours or secure additional partnerships like the agreements we have with the Lear Corporation and General Motors. I understand how vital our recreation centers are to our seniors, our youth and our city.

Making education and training opportunities available to Detroit's youth is also key, which is why I will seek public-private partnerships from corporations and foundations to support the Workforce Development Department's Summer Youth Employment Program. It has been the largest summer youth employment program in the state for 40 years, providing meaningful work for our young people, and its success is crucial.

Delores Bennett understands this. The founder of the North End Youth Improvement Council, Ms. Bennett works unselfishly to provide mentoring and recreational activities to Detroit's youth. And her Adopt-A-Child Christmas Program just celebrated its 50th year. Delores, please stand.

But I also want to acknowledge groups like the People for Palmer Park and the Belle Isle Conservancy for their commitment to the preservation and revitalization of our treasured parks.

The People for Palmer Park continue to work to maintain the park as a destination in our city, and to promote an active and healthy neighborhood. And the Belle Isle Conservancy is a model of investment in time and resources to enhance one of our city's premier landmarks.

Our city's economic revitalization is key to my administration's financial restructuring in our neighborhoods and in downtown Detroit.

Tonight, I am pleased to announce a new neighborhood initiative to reduce blight in our neighborhoods. This week we sent out over 500 letters to property owners in Hubbard Farms, Springwells Village and Southwest Detroit, telling them if they own a home adjacent to a vacant city-owned lot, they can purchase this lot for a mere \$200. The property owner simply has to sign the already completed application attached to the letter, and submit \$200. No coming downtown. No added bureaucracy. The city will mail back the deed.

Property owners are also eligible to receive a \$200 gift card from the Detroit Local Initiatives Support Corporation for the Brooks Lumber Yard – the last locally owned lumber store in Detroit – to purchase fencing materials. And, while we're starting in Southwest Detroit, this program will be implemented in other parts of the city this year.

Making our city more business friendly is equally as important as improving our neighborhoods. Before my election and since, I'd heard all the stories about how hard it was to do business in the City of Detroit. We want to begin to cut through all the red tape.

We have computerized the permitting and inspection process in the Building Safety and

Engineering Department. What used to take all day and a trip downtown to our offices can now be done online in minutes. You can pull permits, follow the site review process, apply for licenses and schedule inspections – all online.

As we work to improve our processes, many have forged ahead in investing in Detroit, like General Motors CEO Dan Akerson, Quicken Loans founder and Chairman Dan Gilbert, and Blue Cross Blue Shield of Michigan President and CEO Dan Loepp.

And I don't want to forget those businesses that stayed in our city in the lean times like Brazelton's Florist, Mike's Fresh Market, and Metro Foodland. Small businesses run by entrepreneurs continue to emerge and are changing the conversation about the way we do business in the City of Detroit.

Detroit native Angela Vincent relocated her Liv Resto Lounge from Ferndale to Detroit this past year. City staff worked with Angela, getting the lounge in complete compliance. Today, Liv, in historic Bricktown, has become a hot spot in downtown Detroit.

Sometimes a good idea spurs another, like when Emily Doerr and a group of friends decided to open a hostel for international students. She found out there was no existing zoning designation for a business like that. So the city worked with Emily, giving her a temporary occupancy permit to open her Hostel Detroit in Corktown. She now works as the Detroit Regional Chamber's director of Small Business, helping others open their businesses here in Detroit.

Anthony Curis and David Goldman are the proud owners of El Guapo, the city's first licensed food truck, serving five locations in the city. Again, there was no zoning designation for food trucks, so city staff, recognizing the opportunity, provided temporary permitting as a zoning amendment goes through an approval process.

And when the auto companies offered early retirements to their employees, Detroit native Don Studvent fulfilled a lifelong dream of owning a restaurant in Detroit. Don's restaurant 1917 American Bistro, on Livernois Avenue, shows what can happen with a dream, hard work, and perseverance.

They're all here tonight. Please stand and be recognized.

These are all success stories and they have become part of a fabric of existing small businesses throughout the city, to help establish a new Detroit. Soon we will have two Meijer stores and a Whole Foods store, a major step in bringing more national retail outlets to our city.

To better coordinate economic development projects in the city, the Detroit Economic Development Corporation will assume some of the work done by the city's Planning and Development Department to streamline operations, and provide a more effective and efficient development process.

Jefferson Village, a 353-unit condominium project first developed in the 1990s and located on Detroit's eastside, is being revitalized with city sponsorship to support immediate neighborhood stabilization in the community. The City will work, with the assistance of the DEGC, to complete partially built homes in the development and sell them.

We will also work with other governmental agencies and lenders to acquire foreclosed properties in Jefferson Village to make them development-ready, and work to retain and attract more tenants to the existing commercial strip along Jefferson Avenue.

And, in less than a month, the \$70 million Capitol Park development of three historic buildings in downtown Detroit, just west of Woodward Avenue, will formally be announced. This follows the \$1.5 million renovation of Capitol Park, which included landscaping and other park improvements.

As concrete examples of this city's resourcefulness, these developments provide ample evidence of the city's resurgence.

So I come back to where I began. We are at a different time and place that requires different acts and actions. Even tonight, we are here in the auditorium of the Coleman A. Young Municipal Center for the purpose of cutting the costs of this presentation.

These are transformational times for the City of Detroit and government must change to face and navigate this new reality.

Fiscal stability, public safety and improving the overall quality of life for Detroiters remain my top priorities. I will continue to work, to fight and to do whatever necessary for this city to become everything you — our citizens — deserve.

Thank you and goodnight.