



Mayor Virg Bernero's
2012 State of the City Address

“Lansing: Believe it!”

Accident Fund National Headquarters
January 30, 2012

Thank you President Jeffries. I look forward to working with you, Vice President Dunbar, Clerk Chris Swope and all of your colleagues in the year ahead. I also want to welcome our newest colleague, First Ward Councilmember Jody Washington.

Thanks to the Accident Fund, our gracious hosts tonight, for allowing us to gather in this amazing space.

And I'm blessed to have my family with me here tonight: My better half, the love of my life, Teri Bernero, our daughters Kelly and Virginia, and my father, Mr. Guilio Bernero.

Distinguished guests, citizens of Lansing, the last few years have been a difficult journey for our state and our city. Yet even as an economic tsunami swept across the landscape of our state and city, we never stopped believing that Lansing would not only survive but thrive. We didn't take our foot off the gas, not for one minute.

And here we stand, strong, resolute and on the way up. The state of our city is good and getting better. We face challenges, but none stronger than our will and ability to overcome them. The evidence of our rebound is clear and convincing.

First – this just in – Lansing has just been named the Number One fastest-growing manufacturing region in the nation. We are Number One in the nation for growth not only in manufacturing, but also in the transportation and utilities sectors. The magic of manufacturing and its generous jobs multiplier is paying off for Lansing. Not only are we leading Michigan's comeback, we are leading the nation's economic recovery.

And the good news doesn't stop there. At 6.4 percent, the Lansing region's unemployment rate has dropped to its lowest level since 2008 – second lowest in the state and 2 points below the statewide average. Lansing is going back to work!

According to the U.S. Bureau of Economic Analysis, our GDP growth is ranked second in the state and one of just two regions in Michigan to rank in the top 50 nationally – ahead of Ann Arbor, ahead of Grand Rapids, ahead of Kalamazoo.

Home foreclosures are declining, and our housing market is on the rise – in fact, two weeks ago we were named one of just three improving housing markets in Michigan by the National Association of Home Builders.

Long-awaited economic development projects are poised for lift off, including the rebirth of the Knapp's Centre – one of Lansing's most historic and iconic buildings.

And the Red Cedar Renaissance will transform 12 acres of our old golf course into an exciting new development that will bring new investment and new jobs to Lansing. The remainder of the property will become a wonderful new public park with a series of waterways that will filter stormwater pollution to keep it out of our rivers.

And in case you haven't been paying attention – General Motors is back on top. You better believe it – the Number One car maker in the world!

Some called me the “angry mayor” a few years ago when I was fighting to save GM. But I am one happy and proud mayor today: Happy with the health of GM and proud of our dedicated and productive UAW workers who have put us back on the map.

GM is back in the driver's seat, the biggest and best car company in the world, gaining market share and building the best cars in the world, right here in Lansing. If the naysayers had their way, the one millionth car would never have rolled off the line at Lansing Delta last year.

And it's going to get even better: GM is putting the finishing touches on a nearly \$200 million makeover of the Lansing Grand River assembly plant that will bring 600 new jobs. This summer, a new global production platform will start building the all-new 2013 Cadillac ATS.

I attended the world premier of this incredible vehicle. You saw it on your way into this building tonight. And folks, you better believe it – this new Caddy is one extraordinary driving machine. It's a marvel of technology, design and performance that's going to have GM's competitors believing it, too. Move over Mercedes, beat it BMW, the new standard of the world has arrived!

Tonight, we're joined by the general manager of Lansing Grand River and Lansing Delta, Scott Whybrew, and our great UAW partners Mike Green and Bill Reed, Presidents of Local 602 and 652 respectively. Will you gentlemen please stand and be recognized. You're building more than cars - you're building Lansing's hopes and dreams.

My friends, we didn't get where we are today by being timid or cautious about our prospects. GM wasn't saved by doubters; it was resurrected by true believers and by doers. This old building wasn't given new life by pessimists; it was revived because we all believed it was possible. We purposefully swung for the fences, when others would have been satisfied with a base hit.

One week ago today we announced an all-out effort to secure a tribal gaming facility for our downtown. The hurdles are great, but the rewards greater. We dare to dream big dreams for Lansing. With big dreams, come big expectations, big responsibilities and hard work. But dream big we do.

Are we rolling the dice? In a way, yes, but the numbers speak for themselves: \$245 million dollars in new investment, 2,200 good-paying jobs, and a \$400 million dollar impact on our local economy.

We're also taking the chance because we've negotiated an historic agreement with a great partner that will fully fund the Lansing Promise. The Promise is a 100% tuition guarantee that will allow every graduate of the Lansing School District to attend any public college or university in Michigan for four full years. Our program will be modeled after the game-changing Kalamazoo Promise that resulted in a 20% enrollment increase in the Kalamazoo Public Schools.

We've always known that a city is only as good as its schools, and good schools have a catalytic effect by bringing families back into the city and uplifting our neighborhoods. I'm proud to say that former Mayor David Hollister has agreed to lead this vital effort.

He'll be joined by Mark Alley, co-founder of the HOPE Scholarship program, Kellie Dean, the head of our Promise Zone program, and other community leaders. Together, they will help us chart the course to a more promising future for generations of Lansing children. Mayor Hollister is with us tonight, along with Superintendent Dr. T.C. Wallace and our new school board president Myra Ford. Will you all please stand and be recognized.

Speaking of great rewards, earlier this year we stood in front of this very building and cut the ribbon on a mid-Michigan miracle: The resurrection of this towering monument to Lansing's industrial past, and its amazing transformation into the new national headquarters of the Accident Fund Insurance Company of America.

The Accident Fund is celebrating its 100th Anniversary this year – every minute of it right here in Lansing – and with this grand stroke of genius, they'll be here for 100 years more. We're privileged to have some key members of the Accident Fund team here tonight. Will all of you please stand and be recognized.

It took a lot of good old-fashioned American ingenuity to pull off this architectural marvel, and we found that talent right here in Lansing. The Christman Company engineered an extraordinary feat – they literally opened up the roof over our heads, and beam by beam inserted a new office building inside this historic structure.

The Christman Company's Senior Vice President Jim Cash is with us tonight. Jim, thanks so much for all that you and the Christman team have done to power our city's comeback.

Despite their name, this project was no accident. It was a bold choice, a brilliant gamble by some very smart and savvy people, who took on a massive challenge in order to reach an even higher objective – to help restore the greatness of the urban core. That vision, that leadership, came straight from the top in the form of two extraordinary leaders – Blue Cross Blue Shield of Michigan President and CEO Dan Loepp and Accident Fund CEO Liz Haar.

Dan Loepp's commitment to rebuilding our cities is second to none. In Detroit and Grand Rapids and now in Lansing, he has led Blue Cross on a mission to make Michigan's cities the locomotive that pulls the rest of the train.

And when we got done with this project, Dan took the next step and filled the old Accident Fund headquarters down the street with more than 300 Blue Cross employees, bringing yet another new wave of investment, people and purchasing power to downtown Lansing. Dan, for your exceptional vision and your commitment to urban core cities - in particular Lansing - I am so pleased to present you with the Key to the City of Lansing.

Liz Haar's vision for a downtown riverfront campus for her growing company – a company that she could have taken anywhere in America – turned this project from a dream into a reality. Liz, without your leadership, we simply wouldn't be standing here tonight. For your tenacity and your commitment to the extraordinary public-private partnership that made this miracle happen, I'm delighted to present you with the Key to the City of Lansing.

Dan and Liz, you are proof positive that inspired leadership can guide great corporations to achieve results that are truly transcendent. And we're so proud to say, you're doing it right here in Lansing.

My friends, when you look out these windows you see a glorious vista of our capital city, but you can see beyond our borders to East Lansing, Lansing Township and beyond. And they can see this building, defining the Lansing skyline and helping to shape the future prosperity of people and communities across this region.

Seeing the whole picture, not just the individual parts, must be the basis for our understanding of regionalism. We know that a strong region starts with a strong and healthy core city and we're making that happen. But we're also making great strides in breaking down the barriers of turf and parochial concerns and outdated thinking that must be cleared away if we have any hope to become one of the great regions in America.

In the past year we didn't let petty parochialism or turf battles get in our way. We forged a landmark agreement with DeWitt Township to develop the Capital Region International Airport into an Aerotropolis – a powerful new magnet for economic growth that builds on our airport's efforts to become an international transportation hub.

We reached an historic compact with East Lansing to share Fire Chief Randy Talifarro while we embark on a regional fire service study. With the help of Michigan State University and funding from the Michigan Municipal League, we're developing a new blueprint for regional public safety efforts. Chief Talifarro, will you please stand and be recognized?

In the year ahead we will open our Joint 9-1-1 Dispatch Center – eliminating wasteful duplication while ensuring that Ingham County residents get the same top notch emergency services they have always enjoyed.

We will work with Ingham County Sheriff Gene Wriggelsworth to find new ways to strengthen public safety and realize even more efficiencies, starting with our first-ever agreement to supplement road patrol in Lansing to make our city and our neighborhoods even safer. Sheriff, we look forward to continuing and expanding our great partnership with you.

Our district court judges are working together to forge a common sense path to dollars and cents savings in the administration of justice. Chief Judge Tom Boyd from the 55th District Court, Chief Judge Frank DeLuca from the 54A District Court, and Chief Judge Richard Ball from the 54B District Court are leading the way on this important initiative.

And we have bold new leadership at our regional economic development agency, the Lansing Economic Area Partnership – LEAP – in the person of Bob Trezise. Bob was the mastermind of our economic development strategy that resulted in this building and many others across Lansing gaining a new lease on life. Now he is retooling LEAP to focus on retaining and attracting new companies, new investment and new jobs for this region. Bob, please stand and take a bow.

The burdens of the nation's economic collapse fell heaviest on our most vulnerable citizens, and I am so grateful for those who have stepped up to help. Great works like our Mobile Food Pantry provided more than 180 tons of food to 18,000 Lansing area residents. Our wonderful partners in the faith community have worked harder than ever to sustain vital efforts like the Church of Greater Lansing Food Drop and the One Church, One Family Initiative.

I want to recognize especially Dr. Joan Jackson Johnson and Bishop David Maxwell, who have led our efforts. And thanks to each and every citizen of this region who has stepped up and stepped out to help your brothers and sisters in need.

While we should be proud of all these things, we still have work to do. It is time for all of us to rethink the way we provide essential public services in order to get the biggest bang for the buck. We have too much wasteful duplication, too many layers of bureaucracy – and too few resources to continue doing the same things the same way.

And we are compelled by new state revenue sharing rules to stop talking about it and start making it happen. The economic realities of our time demand that we take decisive action now.

We're making progress, but we are not out of the woods. There are more tough decisions ahead. If we fail to act now, if we bury our heads in the sand, our children and our children's children will pay the price for our foolishness. Unlike Flint, Pontiac and Benton Harbor who ignored the warning signs, we will not falter.

In the year ahead we will move forward with our Consolidated Garage project with the Lansing Board of Water and Light to realize economies of scale in the maintenance of our fleets. In March my budget proposal will outline significant consolidation of other city departments to end duplication and stretch our limited resources.

Whether we like it or not, city government must do less with less. We must fit the operations of city services within the money we have to spend on it. We have no choice but to live within our means.

Our employees have already made significant sacrifices, and I appreciate the work they do day-in and day-out to provide outstanding customer service to our residents. I also want to recognize my cabinet and my mayoral staff, who have truly stepped up to the plate under challenging circumstances. Will my cabinet, staff and city employees who are with us tonight please stand and be recognized. Thanks for all you do.

Greater efficiency is also important when it comes to energy conservation and renewable resources. In the coming year we will continue to work with our great partners at the Board of Water and Light to make Lansing cleaner and greener.

Construction has begun on the nearly \$200 million dollar REO Town co-generation power plant – a state-of-the-art facility that will reduce our dependence on coal and cut greenhouse gas emissions in half.

And we will soon launch Live Green Lansing, a new initiative that will help Lansing residents and businesses save money and improve our environment by adopting green practices and affordable, energy-saving technologies.

Last year we launched a wildly successful pilot program to implement a cart-based recycling program. Most of our residents have used the small green bins to recycle. With our new approach, a wider range of recyclables will all go in a larger green cart on wheels.

The added convenience for our customers triples the volume of recyclable materials collected, while it reduces the solid waste stream that ends up in our landfills. Instead of paying to get rid of our solid waste, we actually earn money by selling recyclable materials. And our residents and businesses save money, too. This year we will take this program citywide.

In addition, we will implement a series of small-scale green energy technologies to determine their potential to be part of Lansing's clean energy future. We will start with a wind energy technology called Windstream – a micro-turbine that can be placed on top of buildings in the urban environment to generate electricity. And we'll check out every day green technologies that our residents can adopt in their own homes and businesses can use to improve their bottom line.

While we continue to innovate, we must also focus on the challenges our residents still face in these tough times. Our neighborhoods have been hit hard by the foreclosure crisis that has forced thousands of people from their homes. We've responded with an aggressive intervention – nearly \$25 million dollars in new investment through the federal Neighborhood Stabilization Program.

In partnership with the Ingham County Land Bank and the Obama Administration, our Planning and Neighborhood Development Department is literally reinventing Lansing neighborhoods by remodeling houses that can be saved, demolishing those that cannot be saved, and building new homes that will help reverse declining property values.

We have continued our efforts to transform abandoned buildings into focal points of neighborhood-based services. The new Marshall Street Armory Non-Profit Center is a blessing for Lansing's East Side. Thanks to the ingenuity and commitment of developer Pat Gillespie, this historic building has been preserved and repurposed for generations to come. And the new Neighborhood Empowerment Center on the campus of the School for the Blind offers neighbors a place to gather and tap the resources of numerous community organizations.

Strong neighborhoods are safe neighborhoods, and in 2012 we will continue to make public safety our number one priority. That will be made easier thanks to the voters' approval of a millage increase for police, fire safety and roads. With these additional resources, we will be able to maintain the best-trained, best-equipped police and fire departments in the region – and some of the best in the country.

Any amount of crime is too much crime, so we must be vigilant, especially in tough economic times. The best weapon in fighting crime remains active and involved citizens. So we will continue to invest in our Neighborhood Watch and Business Watch programs to keep our neighborhoods strong and safe. Thanks to a \$2.4 million dollar federal grant, our School Resource Officers are back on the job keeping our kids safe and maintaining an academic environment where children can learn and achieve.

While the media tends to sensationalize crime, the long-term trends are clear -- violent crime continues to decline as it has for the past two decades. Last year, according to the FBI, violent crime was down 6 percent in Lansing. Despite layoffs, Lansing still has the second highest number of police officers per resident of any comparable city in this state. And we continue to have one of the largest and best full-service fire department in the state of Michigan.

While we can't eliminate the threat of crime, we can each take steps to keep our families and our community safe. If you don't belong to Neighborhood Watch or you don't have one in your area, please call me at 483-4141 and I'll get you connected to a safer future.

As Michigan emerges from the financial storm of the last few years, Lansing, its capital city, is standing strong and leading the way. We are leading because we didn't wait for the storm to pass, we worked right through it. While others chose to play it safe or just hold on for dear life, we in Lansing pressed on. We pressed, we prodded, we pushed and as a result we did more than persevere, we planted seeds – which now, as the storm clouds lift, are beginning to bear fruit.

As we tackle the challenges of 2012, I intend to bring the same tenacity, the same intensity, the same energy that brought us success thus far. We will continue to reform and demand that government move at the speed of business, rather than expecting business to slow to the pace of bureaucracy.

We will continue to jump hurdles that others throw up, pick up the pace when others slow down and dream big dreams while others scale back. We in Lansing will work harder, faster and smarter because that is what we are called to do.

Big dreams and the hard work that makes them come true is what Lansing is all about. It's what we do. It's who we are. We don't buckle under pressure, we produce. We don't break under stress, we innovate. Lansing is a city of doers - from our creation as the Capital City, to our rich automotive heritage, to the entrepreneurial spirit and true grit of our business leaders and residents today.

I know 2012 is going to be a great year for Lansing – you convinced me. You made me believe it. And together, we will take Lansing from good to great.

Thank you, good night, God bless you and God bless Lansing.

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