



Mayor Virg Bernero's
2013 State of the City Address

“Lansing Powered Up!”

Lansing Board of Water and Light
REO Town Cogeneration Plant
Grand Trunk Western Railroad Depot

January 28, 2013

Thank you President Wood. I look forward to working with you and all of your colleagues in the year ahead.

Welcome to the site of the Board of Water and Light's new REO Town cogeneration plant and headquarters project. We're delighted to get a special sneak preview of this historic Grand Trunk Western Railroad Depot.

Thanks to our gracious hosts -- the Board of Water and Light Commissioners, Chairperson Sandy Zerkle, General Manager Peter Lark and the entire BWL team.

And I'm very fortunate to be joined tonight, and every night, by the love of my life -- Lansing's First Lady Teri Bernero. Bunch, I couldn't do it without you.

Our lovely daughter Kelley is here. Virginia couldn't make it. I am so proud of the amazing, accomplished young women they are becoming.

And my father Giulio is here -- a man who came to this country 60 years ago with nothing but hope for a better life. Now he's a living example of the American Dream. He taught me that with hard work and commitment, anything is possible. Thanks Dad.

I also want to thank the members of my Cabinet and staff, and all of our city employees, who are working harder, smarter and faster to deliver quality public services to the citizens of Lansing.

Will you all please stand and be recognized?

Friends, distinguished guests, citizens of Lansing, I stand before you this evening to report on the progress of our city, and to share with you my vision and continued passion for Lansing's future.

The state of our city is good and getting better by the day. Lansing is not only on the rebound, we are leading Michigan's comeback.

In 2012 the Lansing metro unemployment rate fell to 6.7 percent -- its lowest annual level in 4 years; among the lowest in the state; and still more than 2 points below the statewide average. GDP and personal incomes across the region are growing again, and we've added 4,000 manufacturing jobs in 4 years -- with more on the way!

Across the region, home sales for the last quarter of 2012 were up 23 percent over 2011; and foreclosures are steadily dropping. The real estate market is bouncing back, and that means improving property tax revenues for the city budget. I am pleased to report that we have revised our projected deficit for Fiscal Year 14 from \$11 million down to \$9 million dollars. It is still \$9 million in tough budget decisions we will have to make; but it is another sign we are moving in the right direction.

An even better sign is the fact that Standard and Poors recently affirmed our Double-A credit rating, and upgraded our outlook to stable. That's good news and it's something to be proud of, but the best is truly yet to come. Lansing is powered up and ready to leap forward, confidently and boldly, into the future.

Nowhere is this more evident than at General Motor's Lansing Grand River assembly plant. In 2012 the first all-new Cadillac ATS rolled off the line -- Dad and I were there -- taking the luxury automotive world by storm.

Last week, the ATS went to the Detroit Auto Show and brought home the biggest prize of them all -- the North American Car of the Year Award! Move over Mercedes; beat it BMW -- the new standard of the world is here, and it's made in Lansing, Michigan.

Please help me welcome Mike Green, president of UAW Local 652, representing the men and women of LGR. I want to thank Mike and Tony Francavilla, general manager of LGR and Lansing Delta; and all the men and women whose craftsmanship and productivity make great things happen at GM. We have the most productive workers in the world, right here in Lansing. Tony couldn't be here tonight, but he's with us in spirit to celebrate... North American Car of the Year!

It's an amazing accomplishment, but not surprising, because we know the people who build these incredible autos: They are our brothers and sisters in the UAW -- and we KNOW what they're capable of.

Let me show you something else -- see this model car? It's a miniature Chevy Camaro. The Camaro is an American classic -- one of the most iconic muscle cars in automotive history -- and the next generation of this legendary vehicle is coming home. Home to America... and right here to Lansing, Michigan! Camaro production is shifting from Canada to Lansing, and that inevitably means more new jobs, both inside the plant and down the supply chain.

The Center for Automotive Research reminds us that for every job inside the plant, seven additional jobs are created outside the plant. The Camaro's economic impact on Lansing will be enormous and lasting.

There are good reasons why GM is doubling down on their incredible success in Lansing. One is the long-standing partnership between labor, management and city government. It was forged between GM, the UAW and Mayor David Hollister, and it continues to this day.

Another reason is this: We know how to build things and we build them better than anyone in the world. Right here in Lansing. The fact is we are a global manufacturing powerhouse. It is in our DNA. It's what we do. We make the things that make America great.

There is a magic in manufacturing, and it's not just in autos. Lansing-based companies are leading the world in aerospace, biochemistry, nanotechnology, IT and particle physics.

Emergent Biosolutions has doubled down on Lansing. They will power up their Lansing presence with a \$108 million investment over the next five years. The first phase of their expansion - a new, \$9.6 million administration building on their north Lansing campus - is already nearing completion.

Pratt and Whitney, one of the world's leading aerospace companies, is also doubling down on Lansing. Their AutoAir division designs and builds components for the most advanced aircraft engines in the world. Now they are powered up with a \$7 million investment that will grow 30 new jobs in Lansing.

And we're making good progress on the project I mentioned late last year with an Italian green energy company. We hope to make an announcement very soon that will mean millions of dollars in new investment and even more new jobs.

In a still fragile economy, it remains difficult to put together all the pieces for new investments that create new jobs. But we are making tremendous progress, despite the obstacles, against the odds, because of the great work of the Lansing Economic Area Partnership, led by Bob Trezise.

The projects that lifted off in the past year are proof of the proposition that by working with LEAP, our regional economic development agency, we are indeed stronger together.

I'm thrilled to say that work is well underway on Davenport University's new downtown campus in the former Fifth Third building. We are fortunate to have kept them here in Lansing.

Work has also commenced on the architectural masterpiece known as the Knapp's Centre. After a long road with plenty of hills and curves, the \$36 million restoration of this historic treasure is finally underway. Knapp's is a place that resonates in the memories and stories told by generations of Lansing residents.

The inside is now being transformed into a mixed-use showcase of retail and office space, with loft apartments on the top floor. On the outside, the stunning Art Deco facade will be restored to what it looked like in decades past. Thanks so much to Nick Eyde and his family for making it happen.

Our hometown power company -- the Board of Water and Light -- they're up to some pretty amazing things, too. The renovation of this space -- the Grand Trunk Western Railroad Depot -- is yet another powerful statement of our community's commitment to historic preservation that promotes economic development and jobs.

Next door, a new power plant is rising up and it is a beauty. When it comes online this summer, the REO Town cogeneration plant will cut greenhouse gas emissions in half, compared to the existing plant. The new plant will burn natural gas, and it will keep Lansing powered up with reliable, affordable energy for decades to come.

A thousand workers have been employed on this site -- most of them members of the skilled building trades. Thank God for the estimated \$50 million in wages this project is pumping into households across our region.

REO Town neighborhoods and businesses will also feel a surge of economic power from the project, with 180 BWL employees working at the new facility. With new customers and a new, pedestrian-friendly streetscape, the storefronts in REO Town should soon be filled with exciting new enterprises. With the completion of this plant, Lansing truly is powered up for a cleaner, greener and brighter future.

Congratulations and thanks to General Manager Peter Lark, the masters of construction at The Christman Company, Granger, Clark, and the Kramer Group, and special thanks to Sue Devon and Dick Peffley of the BWL. What a terrific job by a great team!

When we get done with one huge project, of course we need another to keep us busy. We've found it in the Red Cedar Renaissance. With new investment estimated at more than \$200 million dollars, this project will literally transform a major section of the key corridor that connects our State Capitol to MSU and East Lansing. Lansing voters said yes to progress by authorizing us to sell a portion of the old golf course, turning a serious drain on the city's resources into a new engine of growth and opportunity for the entire region.

Another transformational project is the result of our historic partnership with the Sault Ste. Marie Tribe of Chippewa Indians. In the last year we've made great strides in moving forward the Lansing Kewadin casino. We couldn't ask for better partners, and I've never been more confident that we will succeed. Chairperson Aaron Payment is with us tonight. Will you please stand and be recognized? Megwetch!

Virtually all of the city's proceeds from the casino will go to create a turbocharged version of our current Lansing Promise. The current Promise had a great year - in fact an historic year - in 2012, delivering its first scholarships to more than 100 Lansing high school seniors.

Of the many people who helped turn this vision into a reality, one person stands above the rest: Kellie Dean, Chairperson of the Lansing Promise Scholarship Authority and Foundation Board. Thank you, Kellie, for all that you do, and congratulations.

While we work to supercharge education for our young people, we are also powering up the quality of life in our neighborhoods. When the real estate bubble burst five years ago, a devastating wave of foreclosures tore through neighborhoods in our city and across the country. Since then, we've worked with our great partners at the Ingham County Land Bank and MSHDA to turn things around.

In the past 7 years, our partnership has demolished 244 structures that couldn't be saved, rehabbed 176 that could be saved, and built 32 new, affordable, energy-efficient homes. More than 100 of these new and beautifully refurbished homes have been sold - nearly half of them to people who moved into the city from somewhere else.

That's what you call growing our city - and strengthening our neighborhoods. Speaking of growing, an amazing 52 new community gardens were also created through our partnership in neighborhoods across Lansing. All of these actions are helping strengthen home values, stabilize our neighborhoods and improve our quality of life.

Neighborhoods become even stronger when they are connected to our parks and other amenities with a robust system of roads, sidewalks, trails and bike lanes. I'm proud to say we're making great progress in this area. In 2012, after years of planning, the new Saginaw Bike Lane was finally created, thanks in large part to the incredible diligence of Fourth Ward City Councilmember Jessica Yorko. Thanks Jessica.

Working with our partners in Lansing Township, we also hope to start building a new walking and biking path on a particularly dangerous stretch of Waverly Road along our shared border. This project is also a great example of regionalism on a small scale. I think getting the little things done makes it more likely that we can find a way to do the bigger things. I want to say thanks to Kathy Rogers, the new supervisor of Lansing Township, for working in good faith with me to make it happen.

There is more to do, and much more that we can accomplish together with all of our regional partners. I'm optimistic that in the coming year that's exactly what we will do.

We are making great progress toward regional fire services between Lansing, East Lansing and most of our neighboring townships. I am pleased that Lansing and East Lansing have renewed our agreement to keep Randy Talifarro as joint chief of our fire departments for a second year. We're going to keep moving forward along the path we've all agreed on. Randy, thanks for your leadership.

Our citizens already take a regional approach to living in the Lansing area. It's time government followed its citizens.

When I see people enjoying our River Trail, school kids learning at Fenner Nature Center, golfers enjoying Groesbeck, the young people skateboarding at Ranney Park -- I know they come from all over the Lansing region and that's terrific.

Great things are happening in Lansing and all around us in our metro region. Broad Museum and F-RIB at MSU, Dart Container's expansion in Mason, and how about the great news from our neighbors in Delta Township -- a new \$75 million Magna auto supply plant with 400 new jobs!

Why not celebrate our neighbors' success? When they win, we win, and vice versa. Because we sink or swim together. In a global economy, we can't afford to waste precious time and resources competing against each other.

The experts agree that regions with the most JOBS, especially high-wage jobs, have a much higher percentage of college-educated residents. And they attract and retain young talent through better place-making and quality of life.

We do a great job attracting talent, thanks to Michigan State University and our other great institutions of higher education. But we have to do better on the other side of the coin -- retaining that talent.

If the vast majority of recent grads quickly leave the area after graduation, we all lose. That's why we put so much focus on the things that matter most to highly mobile young people who want to live and work in a vibrant urban area.

There is much to be proud of in each of Greater Lansing's wonderful, unique communities. But let us also find pride and utility in a greater spirit of collaboration. A recognition that we are stronger together, with a unified mission and goals.

The whole is indeed greater than the sum of its parts. We are inextricably linked; we are ONE LANSING. We have nothing to fear and much to gain in exploring greater collaboration and partnership in today's global economy.

While we explore new ways to work together to grow the Lansing region, we also have to make sure that we leave no one behind. The economic crisis has been hardest on our most vulnerable citizens. Lansing folks have responded by wrapping their arms around those who need our help, bringing to bear both our compassion and our currency.

I want to thank everyone who has volunteered for an hour or a day, or made a financial contribution to helping others. Our Mobile Food Pantries and homeless assistance programs provide a vital lifeline for thousands, but they can't do it alone.

As hard as we work to alleviate poverty, too many of our citizens just can't seem to keep their head above water financially. Well, we aim to change that. With the help of a \$1.5 million grant from Bloomberg Philanthropies and Living Cities' CFE Fund, we are going to bring greater financial know-how to 4,000 Lansing residents over the next 3 years.

Our major partners in this venture are Lansing Community College and Capital Area Community Services. They are joined by non-profit organizations across the city, who will refer people that need help to the Financial Empowerment Center. Special thanks to the Community Economic Development Association of Michigan and the C. S. Mott Foundation. We couldn't have done it without you.

New York City Mayor Michael Bloomberg personally funded this financial literacy grant because he understands that we can empower our people by teaching them the skills they need to succeed. We're very fortunate to have received a special greeting from Mayor Bloomberg tonight.

Thank you, Mayor Bloomberg, for your bold leadership and generosity. I'm so proud to be part of Mayor Bloomberg's bipartisan coalition of more than 800 mayors who are pushing for common sense gun safety laws.

As Mayor Bloomberg mentioned, my wife is a school principal. As you might expect, the tragic events at Sandy Hook struck awfully close to home -- as it did for so many parents. It reminds us that we have a special responsibility to protect our children. We must be ever vigilant -- keeping an eye out for trouble in and around our schools.

That's one reason why we have School Resource Officers in each of our public high schools, and they are wonderfully popular with parents, teachers and the kids. President Obama has called for more School Resource Officers, and if federal funding becomes available, we'll work with Superintendent Yvonne Caamal Canul and the Lansing Board of Education to make it happen.

Safe schools and safe neighborhoods are vital ingredients of every healthy city. That's why public safety continues to be my top priority as your mayor. The most recent statistics from the FBI show that crime in Lansing was down again for the first half of 2012. Violent crime was down nearly 20 percent, and property crime was down by 3.5 percent.

The fact is that Lansing is safer today than it was a decade ago, and much safer than it was 20 years ago. Since 1991, according to FBI Uniform Crime Statistics, violent crime in Lansing is down by one-third, and property crimes have been cut in half.

But we're going to work even harder to make Lansing even safer.

Next month the Lansing Police Department will launch its second gun buyback program, thanks to the generous support of our terrific partners at Sparrow Health System, McLaren Greater Lansing, and the Michigan Health and Hospitals Association. With us tonight are Lansing Police Chief Teresa Szymanski, Sparrow CEO Dennis Swan, McLaren Vice President Floyd Chasse, and Spencer Johnson, president of MHA. Gentlemen, thanks so much. Once again our community comes together and comes up with a way to get it done. We're resourceful like that.

My friends, we know what we need to do to build a stronger, safer, more prosperous community, and we're making good progress. But the road ahead will not be painless. We will have to be resourceful, tough, and brutally honest about what needs to be done to get where we need to go.

In October I appointed a Financial Health Team, led by former Mayor David Hollister, to make recommendations for addressing the city's short and long-term financial challenges. Mayor Hollister, thank you for tackling this vital work. Will you and the team members who are here tonight please stand and be recognized for your service? The group's preliminary report will be delivered next month. I look forward to your recommendations - except for the part about selling the BWL. That's not going to happen. Not on my watch.

We in Lansing are more fortunate than most. We are the home of state government, great educational institutions, world class hospitals, General Motors and the insurance industry. These are the building blocks of our economic foundation, and they give us far more stability than most cities. They are a big reason why we're on the way back up.

We've got wind in our sails again, and it's time for us to make the next big leap forward. We have to be bold. We have to be creative. We must be relentless.

We stand on the cusp of a new year with hope in our hearts, a clear vision in our minds and fire in the belly. We know what we can become, if only we can clear a path through the obstacles that still stand in our way. I'm here to tell you that we will clear that path, with the same unbending resolve we've demonstrated for the last seven years.

My friends, Lansing is powered up and ready to roll into a new era of promise and opportunity for all of our people. Our potential has never been greater; our will to succeed never more palpable. I am confident of Lansing's future success precisely because of our past success.

But I can't do it alone.

As President Obama pointed out in his Inaugural Address earlier this month, you are the essential ingredient in this democracy of ours. A President, a Governor, a Mayor is only one person, just one citizen. The real power in our system is not here, but out there - with the people - with you.

Let 2013 be the year that Lansing citizens get involved like never before. We in Lansing government are ready, willing and able to engage you. Join or start a Neighborhood Watch. Volunteer at your neighborhood school. Sign up and serve on a city board or commission. Come, be a part of a growing, dynamic city that is charting its own course, over rough waters, to a better future.

We stared disaster in the face just a few short years ago, and we snatched victory from the jaws of defeat. In tough times, Lansing folks dig deep, dig in and don't quit. We double down on determination and hard work.

We will continue to lay out the red carpet instead of the red tape for businesses willing to invest and create new jobs in Lansing.

We're powered up for the future, filled with pride and purpose, and we are ready to build the Next Lansing. I invite you to join me in making it happen.

Thank you, good night, God bless you and God bless the City of Lansing.

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