

**City Budget Address 2019**  
**Mayor Cory Mason**  
**October 10, 2019**

Good evening. Tonight it is my honor and duty as your mayor to present my first annual budget to the City Council for consideration. As you may recall, when I was sworn in on November 7<sup>th</sup> of last year, it was the night the Council passed the 2018 budget.

I have spent the previous eleven years as a legislator critiquing executive budgets. This is my first time on this side of the dais. I have learned a lot in this process.

To start, I want to thank the Racine community for their confidence in me to do this job. Serving you has been the greatest honor of my life. Presenting the annual budget is one of my most important duties, and I have taken great care to try to get it right.

I want to thank the Alders for their willingness to meet with me ahead of time to offer input on what should be in this document. Your insights and suggestions helped shape the document you will receive tonight.

I want to also thank the department heads for their suggestions and work in submitting this budget; particularly Kathleen Fischer and David Brown of the Finance Department; and Administrator Palenick's help in crafting this document. I also want to thank the other city employees who made this budget better by offering their suggestions on what they see in the field as they provide services directly to our residents.

Finally, I want to thank my wife Rebecca and my children Eleanor, Amelia, and Cory for sacrificing so much time with me so that I can attempt to effectively do this job.

So many people from the public are here today, and I want to thank...

*[Elected officials and dignitaries acknowledged here]....for attending.*

In addition to tonight's presentation, the public is also invited to a Town Hall Meeting I am hosting this Friday from 5:30 to 7:00 at Humble Park Community Center to gather input from the public on the budget.

*[Overview]*

First, by the numbers: today I am proposing a \$211 million dollar budget for 2019.

The property tax levy will remain flat, with zero increase of \$54,322,250; the same as last year.

The city property tax mil rate is estimated to drop from 16.59 to 16.07; it is the biggest drop in the mil rate in more than 10 years.

A budget is more than just numbers; it is a reflection of our priorities. It is a values-based document that requires us to live within our means, and set goals around our biggest opportunities and challenges.

When I sought this office it was with the specific goal of rebuilding the middle class. This budget invests in our community and our residents to do just that.

*[Community of Choice]*

We are in a time of unprecedented change. Foxconn's arrival to our community creates a number of amazing opportunities for our Racine. As growth comes to our area the central questions to be answered are these:

- Will the City of Racine be prepared to seize the opportunities and changes that are coming to the region?
- Will the prosperity be widely shared, or will it only go to a select few places?
- Will we make the bold choices we need to in the next year to become, to borrow a phrase coined by Alder McCarthy, the Community of Choice for the region?

*[Encouraging New Growth]*

Foxconn's arrival has generated more economic activity in the City of Racine in the last year than we have seen in the previous 20 years.

Already announced this year is the development of Gold Metal Lofts, Ajax, Southside Industrial Park with the expansion of jobs by Jacque, and the Edge of the River housing development. In addition SC Johnson is reinvesting in their downtown campus. All told this represents more than \$110 million of redevelopment announced this year in the City of Racine.

In addition there have been announcements of developers buying Zahn's on Monument Square and the old Y on Wisconsin Avenue.

Developers are buying up other properties as well, in what will no doubt make 2019 even more successful than 2018.

The question remains: will we be prepared for it?

Make no mistake about it, we are in competition regionally for new development. We have amazing historic neighborhoods, a phenomenal downtown with spectacular views of Lake Michigan and the Root River.

If we want to be the Community of Choice for the economic boom coming to the area, we have to invest in the resources that allow development to occur. That is why this budget invests more than in the past on development services.

### *[Neighborhood Stabilization]*

While all the potential new growth coming to the City is very exciting, we cannot forget our existing neighborhoods. We have amazing places to live in the City, from West Racine, to the Zoo neighborhood, from Manree Park, to the Southside historic district, from Uptown, to Downtown to Lincoln King.

These neighborhoods, all of our neighborhoods, need our attention too.

That is why this budget will create a new Division of Neighborhood Stabilization.

The division will

- Focus on neighborhood identity,
- Create a grant and loan forgiveness program for city homeowners to repair their homes, in any neighborhood.
- Revive the Unified Neighborhood Inspection Team (or UNIT) to better respond to constituent complaints about our neighborhoods.
- Add an additional staff person for code compliance, a request I heard from many Alders.
- Provide additional resources to adequately cut tall grass and weeds on abandoned properties.
- Establish a Land Bank program to work with the County on abandoned or foreclosed properties.
- Invest in a traffic and parking study for downtown.

### *[Parks]*

This budget also invests in our parks, which contribute to and enhance the quality of life for Racine residents.

It creates a dog park in Davies Park, at Alder Morgenroth's suggestion.

It adds playground equipment in several parks at Alders requests.

It reinvests in North Beach and Zoo Beach and our Lakefront.

It sets us on a path to have Food Trucks and Biergartens in our parks next summer.

### *[Inclusion and the Diversity Dividend]*

With all the economic activity coming to the region, the question remains, will prosperity be broadly shared or reserved for the few?

I have highlighted tonight how we as a City need to compete with our municipal neighbors. But within the City we need to ensure that everyone succeeds. For too long this community has led in unemployment, with some of the largest disparities by race in the country. We will not have succeeded as a community if we see large economic growth but don't also close the inequity gaps that exist in our community.

If we invest in *all* of our community, the diversity in our City will pay forward dividends with different ideas and cultures creating more innovation and opportunity.

This year we established the Racine Works ordinance, which requires construction projects to use 20% of their labor from City residents. We will also be investing \$1.5 million in worker training programs to train local residents in the Construction Trades. We will be working to expand training space available in the City in the next year. This has been a great partnership with Department of Workforce Development, the building trades, Gateway, Racine County, and UMOS.

We will also establish a Microenterprise Fund to target small business owners supporting households with low/moderate incomes, and encourage reinvestment in Racine's retail and commercial corridors.

This budget allocates funding for translators with the goal of ensuring that every City department that interacts with the public has someone who can speak Spanish.

The appointments we have made to the City's Boards, Committees, and Commissions are the most diverse we have on record. While there is still room to improve, these City Committees now more accurately reflect the diversity of the community they serve.

We have expanded membership on our Affirmative Action and Human Rights Commission to include a member with a disability and someone from the LGBT community. I intend to use this committee as a direct line to my office so that members of the community have a venue to raise their concerns.

Many of the initiatives listed to address inequality are new to the City. They are creating new partnerships and finding new and innovative solutions and funding for our challenges. If this is to be a true priority for the City, it cannot be limited to something we do in our spare time.

This budget creates a position for Strategic Initiatives and Community Partnerships to address the inequities in our community. It is intended to work collaboratively with the public, private, and non-profit sectors to develop and implement strategies to reduce inequity and increase opportunity. If we believe that reducing inequity is a serious goal in our community—and I wholeheartedly believe that it is—then at least one person in City Hall should be tasked with addressing it full time. Again, if there is an economic boom in the area, but our gaps by income and race stay the same or even get worse, we will have missed a critical opportunity. That requires hard work, intentionality, and resources. The Strategic Initiatives and Community Partnerships Officer creates an opportunity to move our City forward in these areas.

### *[Smart City]*

Last week, Foxconn announced that it bought a building downtown where it will invest in an innovation center with at least 125 employees to focus on Smart City design.

This is so exciting. Before this announcement, development was coming to Racine because we are this amazing city, with a beautiful downtown, where you can watch the sunrise over Lake Michigan just eight miles away from the Foxconn campus.

Now we can say that Foxconn will have a footprint in the City as well.

But Smart City is so much more than Foxconn buying a building downtown.

Smart City is about the city using its resources and “technology to accelerate the delivery of benefits to city residents through improved livability, workability, [equity,] and sustainability.”

The City has the opportunity to partner with Foxconn on this. It also lends itself to a partnership with Gateway Technical College and their Internet of Things program at their downtown campus, and UW-Parkside’s efforts on Smart City Innovation Competition and program.

There will be more on smart city to come. Building off of the City’s existing infrastructure, this budget invests resources in smart city technology to prepare for the coming changes in Smart City innovation.

### *[Sustainability]*

I am also committed to striving to be a more environmentally sustainable city. I have made this pledge before but I will make it clear here again tonight. The City of Racine is committed to the Paris Climate Accords. We are also committed to the Wisconsin Department of Natural Resource’s Green Tier City initiative. As a city we must do better to conserve energy and water and use our resources in a more sustainable way.

This summer I was approached by the Police Chief Howell who was looking at some ways to be more energy efficient within the police department. Because the Chief was willing to think outside of the box, I am excited to say that next year the Racine Place Department will have two new plug-in electric police cars – and I know what you are thinking, will they be tiny vehicles that look out of place? I can tell you, they are Ford Fusion Sedans.

I am also proud to announce that we were just recently awarded an Energy Efficiency Initiative Grant from the State’s Public Service Commission. This grant will allow us to map our energy infrastructure so that we can see where our resources, costs, and liabilities are so that we can become more energy efficient and reduce not only our carbon footprint, but our costs as well.

As part of its commitment to water conservation and the diversion application, this budget creates a position in the water utility to focus on conservation and sustainability. This will help the water utility, and by extension the city, conserve on water and energy, saving costs for rate payers and taxpayers alike.

### *[Healthcare]*

Few issues impact all of our lives in so many ways more than healthcare and the costs associated with providing it. Racine is no different. This year the City will focus on initiatives in this budget to improve care and reduce costs.

In collaboration with Racine County, the United Way, and Gateway Technical College, our Public Health Department is leading the way on establishing a federally qualified health clinic here in Racine. These clinics help provide services for uninsured and underinsured populations. Racine is currently the largest city in the Midwest without a federally qualified health clinic. We seek to remedy this inequity when we will apply to the federal government for our own FQHC designation.

Health insurance costs continue to rise faster than the rate of inflation. The City has health care costs moving into the future that raise some concerns.

In this budget and with the help of our HR and Benefits staff, we are exploring ways to keep our health care costs down. This budget recreates an internal health care cost review committee. Led by Human Resources, there will be an internal review of our processes and costs to see if we can save money overall. We will be working collaboratively with employees to find solutions to hold down and audit our costs.

*[Public Safety]*

Racine is blessed to have very forward looking and progressive police and fire departments. Chief Howell is remarkably innovative with his ideas. In fact, our ability to build out a Smart City design is in no small part because of the existing infrastructure we have in police, fire, IT, and public works.

There are four improvements to public safety I wanted to mention tonight.

The first of them is the adoption and use of body cameras for the police department in 2019. The PD should be commended for doing research on this topic to troubleshoot any potential conversion to body cameras. After the incident earlier this year, the community was asking why body cameras are not in use in Racine. Because of the groundwork already done by the police department, I am pleased to announce tonight that body cameras will be in use by the Racine Police Department next year.

The fire department deserves credit for creating a position that will increase revenue for the City of Racine through the creation of a Division Chief of Professional Standards.

In addition to accreditation responsibilities, the new division chief will serve as the primary point of contact for the Mobile Integrated Health Care program (MIH). This program is a joint venture with Ascension All Saints hospital to prevent readmissions of discharged patients for at least 32 days. This position will oversee and manage all fire department certified MIH personnel and work with the on duty Battalion Chiefs to schedule home visits with on duty personnel. This is a revenue opportunity for the city.

The Division Chief of Professional Standards will then provide regular, enhanced report writing training to field EMT's and Paramedics which will then increase revenue from EMS billings. This is also a revenue enhancement opportunity for the city.

Many residents have asked about street lights that were removed several years ago. While this budget in no way replaces all of them that were removed, it does envision a process where some lights can be placed or replaced if it is warranted for public safety. The City will also engage in a lighting study as part of its Smart City implementation.

Concerns of residents in our neighborhoods around speeding motorists is a perennial issue. At the request of Alder Lemke and others, the City will place several solar powered speed signs so that motorists can be reminded of the speed at which they are traveling.

*[Fiscal Responsibility]*

As mentioned earlier, this budget holds the line on City property taxes. It is the biggest mil rate reduction in the property tax levy in more than ten years.

It was a tough process. Not every request could be accommodated. There were many more requests for funding, both internally and externally, than there are resources. This budget is my best attempt to prioritize our shared opportunities and reflect the concerns of the entire community.

*[Partnerships]*

As we are trying to be more fiscally responsible, one of the things you learn very quickly as Mayor is you cannot do it alone. It costs more and it is less effective. That is why partnerships are so important. This year there have been monumental partnerships formed around a variety of initiatives and I just want to highlight a few.

This past June I had the honor of announcing the RacineWorks program. This is a 1.5 million dollar investment in working training for City of Racine residents. We brought together a coalition made up of the City, the County, Gateway Technical College, UMOS, WRTP/Big Step, and First Choice Apprenticeship that will cover the cost of pre-apprenticeship training for our residents who want to work in construction trades. Upon completion of their training, will be placed in jobs, making a family supporting wage.

We have also partnered with the County and Higher Expectations and host of other organizations to promote the Uplift900 program. This program connects unemployed or underemployed residents directly to employers looking to pay good wages to people looking for work. This summer we held two very successful JobFests, where we brought employers into the community, invited residents to meet with them, all in a fun family oriented event with food, music, and entertainment for the whole family.

I am also proud to say the City and the Racine Unified School District are also looking for ways to collaborate and work together in more ways than ever before. From our Parks and Rec Department to the school districts Community School initiative, we are finding more ways to work together for the better of our children. I thank Dr. Gallien for his leadership and I look forward to accomplishing great things with RUSD.

Just this past weekend, the city was a sponsor of the OneRacine event at festival hall. This event came out of a series of community conversations hosted by the United Way around race, equity and inclusion. The OneRacine event focused on bringing the community together to celebrate our diversity and cultural differences. The United Way does so much in our community and have been an incredible partner to work with.

The city is also engaged in community wide conversations around what “smart cities” look like. Chancellor Ford and UW-Parkside hosted a summit earlier in the year stirring a lot of interest how the city and other organizations can use technology to better deliver better, more efficient services to our residents.

Gateway Technical College President Albrecht has been a great collaborator on so many projects. We are lucky to have such a great partner on so many projects in Racine.

*[Change]*

In the words of the great philosopher Ferris Bueller: “Life moves pretty fast. If you don’t stop and look around once and while, you could miss it.”

Gandhi said of change, “You must be the change you want to see in the world.”

For a community that has been underappreciated for too long, our time has finally come. But the dynamic for growth will only be here for so long. We don’t want to miss it, and we want to make sure we are changing the community for the better, for the change we want to see in Racine.

That means a future where we are moving at a pace we haven’t seen in a long time; where we build on our traditions of hard work and innovation to build a middle class for the 21<sup>st</sup> century—one that will be different than the past.

I have every confidence that with the Council’s support, our community partnerships, and most importantly with the participation of Racine residents, this budget puts us on a path to rebuild the middle class.

This budget will give us the resources we need to be successful, to invest in our priorities, to build a better community, to be the Community of Choice, and move us forward—next year and beyond.

Thank you.