

**STATE OF THE CITY
MAYOR BOB YOUNG
JANUARY 4, 2005**

Members of the Commission, Ladies and Gentlemen.

Mr. Russell, Mr. Shepard, Miss Bonner, Department Heads, Staff.

Citizens of Augusta.

Good afternoon.

It is my pleasure to come before you with an assessment of your local government – a State of the City.

2004 has been another year of transition, including the loss of our Administrator.

But I can report to you that the state of our city is good.

I say that in spite of what our citizens may hear to the contrary.

My perspective was driven home in a book I read during the past week – *State of Fear*.

You may have heard of it, or even read it yourself.

Author Michael Crichton tells a fictional story that is based on scientific fact.

He shows how the Global Warming theory is marketed to the public in a way that ignores real science.

But people come to accept the theory as fact, even though all the credible research shows it is not a fact.

A similar scheme is being promoted in your city to make you believe that our city is headed down a doomsday spiral.

It is an oft-repeated theory – by people in the community, by people in the media and even by people in this chamber.

But it is hollow.

The facts point in a different direction – one that we cannot ignore.

My assessment of Augusta's good fortune comes because the facts show economic growth, increasing improvement of city services and the proactive manner in which this government has faced the challenge to pay its bills.

Our City continues to make progress and a number of its programs are drawing national attention.

Every citizen can take pride in our community and where it is heading.

Let me tell you about some accomplishments of the past year in which we can have tremendous pride!

Our city's economy continued to grow at a remarkable pace, given the backdrop of a recovery from recession and rising energy costs.

The 2004 U. S. Metro Economies Report ranks the Augusta metro in the top third of the economies of all metropolitan areas in the country.

That report placed the value of goods and services produced by our citizens last year at 14.9 billion dollars – a half billion-dollar increase over the previous year.

That growth is translating into jobs for Augustans.

Our unemployment rate continues to improve, while the city shows a positive rate for new job creation for the first time in years.

This year we will issue more than 9,000 business licenses.

Over the past five years our sales tax collections grew at a rate of 1.2 million dollars per year.

Excise tax collections were up three per cent last year.

The migration of residents and retail to the suburbs should be something that we are concerned about, but those challenges should not blind us to the growth we are seeing within our city limits.

The evidence is clear that people are choosing Augusta not only as a place to work, but also as a place to live and raise their families.

We are issuing permits for new homes at the rate of more than two per day, an increase of 29 per cent over 2003.

Last year, the Planning Commission received or approved plans for new single family developments that represent over 17 hundred lots.

Clearly, investing in Augusta is good business.

2004 was also a good year for your local government, because we paid our bills, balanced our books, and provided award-winning service.

Here are some examples:

Public Works handled over 8 million dollars in infrastructure improvements and issued bonds to expand our landfill.

We opened the new service building – and public restrooms – at the Augusta Common.

We again were designated a Tree City by the National Arbor Day Foundation, and received the Outstanding Achievement in Public-Private Partnership Award from the US Conference of Mayors.

The White House designated our city as one of the first nine Preserve America Communities for our commitment to preserving our historic and natural resources.

Public Utilities continued Benchmark 2010 by issuing 160 million dollars in bonds for water and sewer system improvements and expansion for future growth.

This spring we will open the Max Hicks Surface Water Treatment Plant and begin important upgrades at the Highland Avenue Plant.

In 2004, the Planning Commission completed the city's first comprehensive plan to provide guidance for the physical development of the city through 2025.

The future of affordable housing in the city was bolstered with the establishment of the Augusta Housing Trust and the adoption of the Fair Housing Action Plan, important elements in rebuilding and strengthening our neighborhoods.

Our Greenspace program has resulted in the purchase of 486 acres of permanently protected floodplains and the protection of 272 additional acres with conservation easements and deed restrictions.

Through our flood buyout program, we have leveraged federal grants to purchase 23 homes and are negotiating with 21 other property owners.

In 2004, we broke ground for the new Diamond Lakes Library and Community Center.

Likewise, shortly we will break ground of a new terminal at Augusta Regional Airport.

Our Recreation Department assumed full control of the senior nutrition program, with positive reviews from the 500 people they are serving and greater accountability of the resources you – the taxpayers - are providing.

Our state-of-the art animal services center opened in 2004.

All across your government, 2004 was a year of accomplishment for our employees.

And I've asked the Administrator to share a complete list of these accomplishments on the city website.

We can never under-estimate the value of the work these employees - the 26-hundred men and women who provide essential services to our citizens every day.

I would like to speak directly to them for a moment.

I am personally disappointed, and I know the Commissioners are, too, that we have not been able to fund the long-delayed reclassification plan – and are unable to provide pay rises in 2005.

The choices are difficult, but we so far we have made the choice that protects your jobs.

However, job protection is becoming even harder with mounting pressures on a limited budget.

But there is a bright note.

In our budget this year we have included pension reforms for those in the defined contribution plan, and our new health insurance provider – assuming we will approve the contract later in this meeting - will allow for coverage at University Hospital.

As we look ahead to the New Year, we know budget pressures will continue to dog us and limit the growth of services.

Under the direction of the Commission and leadership of our Acting Administrator, substantial cuts are taking shape.

Employees and elected officials alike will have to be more creative - more innovative – to find ways to provide services without sacrificing quality.

Tough times bring out the best in people.

Our city employees are no exception.

Some of our budget cuts can be directly traced to reduced income – income artificially cut because people don't pay their bills.

In a recent article, Chronicle Reporter Sylvia Cooper found more than 11 and a half million dollars in past due fees, charges and taxes.

And, that is not even a complete list.

I believe the problem we have in collecting these debts is institutional.

That is, our government is set up to provide services, not collect money.

Some would challenge this assumption, citing high collection rates.

But the raw numbers – the lost income – the bad debts – speak for themselves.

I am proposing today a number of steps this government should take to collect the money that is owed to us, while sending a strong message that we expect people to pay their bills.

First, I would charge our Administrator, as one of his first tasks this year, to identify all collectable accounts across the organization.

Those, which are determined to be uncollectable, should be written off the books.

Those, which are valid, should be aggressively pursued by professional collection services.

To encourage maximum voluntary participation, I suggest we establish a period of amnesty, waiving penalties and late charges, prior to turning the accounts over to collection.

The large volume of money owed this city also suggests the lack of a uniform collection policy.

I encourage our staff to bring forward to the Commission recommendations that address disparities between departments.

In the preparation of our budget, we have seen how the lack of collections directly impacts fees charged by our enterprise funds and taxes levied to support our general fund.

The message should go out loud and clear that if you owe the City of Augusta money, you are going to hear from us.

Everyone must understand that these are legitimate charges for services rendered and must be paid.

However, collections should be done in such a way that shows we are sensitive to - and willing to work with - people on fixed income or in temporary financial hardships.

Likewise, owning property in Augusta carries with it a duty to maintain the property in a responsible manner.

When we allow lots to become overgrown and buildings to fall down, we have not done our job of enforcing minimum community standards.

Such conditions are insulting to those people who keep their property in good repair.

Perhaps, we have been too accommodating of derelict property owners - or our ordinances are ineffective.

Whatever the case, under our government charter the buck for enforcing ordinances stops in the mayor's office.

Today I am directing our Acting Administrator to strictly and vigorously enforce all applicable ordinances related to care and condition of property – no exceptions.

Timelines and procedures should be tightened to maximize the effectiveness of local laws.

We should not hesitate to use appropriate courts in ensure property owners – whether they live here or hundreds of miles away – are living up to the letter and spirit of the code.

Further, if the problem lies with an ineffective ordinance, I expect our staff to waste no time bringing appropriate revisions before this body.

Those of us in authority have a responsibility to support a quality of life second to none.

Shabby looking properties is something we can attack - and we will attack with renewed vigor.

As we collectively look forward to 2005, the tenth anniversary of our consolidated government is a milestone worth noting and an appropriate time for reflection.

My views on what I see as flaws in the basic structure of our government are well known.

Time has proven that the structure is designed for a government of crisis management as opposed to a government of vision.

My recommendations for change are well documented and do not need to be repeated in this forum.

I would, however, bring forward for your consideration, and consideration of our legislative delegation, a change that would strengthen public participation and not change voting patterns in any way.

The current scheme for electing Commissioners in off-year elections encourages low voter turnout – historically 18 to 30 per cent – plus the cost of holding a special election.

If we want people to have a voice in their government, then we should make it easy for them to participate.

I propose moving the commission elections to the cycles where our Mayor, Governor and President are elected.

These elections are already scheduled, and bring turnouts of 50 to 70 per cent.

Extending each Commissioner's term by one year can make a seamless transition.

This proposal does not dilute the voting strength of any voting group. To the contrary, it strengthens that influence with a higher turnout.

Some may argue that the Commission elections will get lost in the dozens of other races that are also on the ballot.

To the contrary.

Ask the three school trustees who lost their seats last November if their races got overlooked!

Ask the supporters of the SPLOST if it got overlooked.

Changing the election cycle is a step toward better government.

This move respects the views of those who do not wish to change the structure of the government.

Yet, it encourages greater voter participation in the selection of Commissioners.

I urge you to consider this fundamental change.

And I'm willing to work with you to get there.

After all, as former Senator Everett Dirksen said:

"I am a man of fixed and unbending principles, the first of which is to be flexible at all times."

This year I also encourage you to revisit the Special Purpose Local Option Sales Tax.

In the coming months, I will present you with a SPLOST program that I believe meets the immediate and long-term infrastructure needs of our city.

The voters made it clear last November that their SPLOST is not a special interest cookie jar.

The original SPLOST ONE focused 100 per cent on infrastructure.

It was not until the Commission began including money for outside agency projects in an effort to buy votes that popular support began to wane.

If we are to support everyone's dream list, we must look for other ways to pay.

And, a city attentive to its infrastructure will be able to generate from other sources the money needed for larger projects.

I remain committed to a Performing Arts Center. We should not allow the vision for this quality of life project to fade.

Likewise, I remain committed to an exhibition hall for our convention center, which will be a source of economic development. And, I am committed to the need for a new civic arena.

We managed to pay our own way before SPLOST came along, and there's no reason why we cannot do it now.

One way to have these additional financial resources is to expand our economy.

Job creation and economic growth must continue to be a prime objective of this government.

It is critical we work with our neighboring cities and counties on a strategy to promote our entire region – on both sides of the Savannah River.

The current proposal for a regional marketing organization, in my view, falls short of what our city truly needs, because it is too narrowly focused on *industrial* investment.

A regional organization should be focused on all aspects of the community, including small businesses, retail, business retention, retirement development, and so on, in addition to seeking new factories.

The proposed Augusta Regional partnership gets us only part of the way.

To best serve the interests of Augusta and Augustans, we should look in other directions.

We should look internally.

The City is currently spending over 300 thousand dollars on economic development through various agencies and contractors.

I propose to recapture that money and create our own business services department.

That department, staffed with people who have a track record of job creation, would be charged with marketing our city and working with existing business and industry expansions and new business prospects.

But, equally as important, the department would not operate in isolation from our neighbors.

The department would contract with the Regional Partnership and other agencies for services and cooperative marketing strategies.

Our own department gives us more bang for the buck, plus it allows the agency that controls the infrastructure to control the growth.

Governor Perdue has laid a pretty good blueprint for such an important office.

His economic development priorities for 2005 are three fold – support existing business, provide tools for success for small business, and invest in the strategic growth industries of the 21st century.

I believe the window of opportunity is at hand for the City of Augusta to follow the governor's lead.

This is really nothing new – we've talked about this for a long time.

I encourage you to give priority consideration to consolidating our business development programs into one department with one focus.

The Administration will have a specific plan for your consideration in the coming weeks.

Finally, I want to draw your attention to what I see as the greatest economic and environmental challenge we will face in this city during this decade.

That is the development of the Augusta Canal National Heritage area in our Central Business District between 7th and 12th Streets.

The City, along with Atlanta Gas Light Company, will together have invested about 50 million dollars in environmental cleanup and civil works improvements by the time the project is completed this spring.

We have been very careful to work with the Canal Authority to follow their master plan in the work that is underway.

Walking trails and rewatering to provide for limited boating will give our citizens a greenbelt linking the residences of the Laney-Walker neighborhood with the light industrial area of our central business district.

The redevelopment of this corridor should protect the character of our neighborhoods, plus take advantage of new opportunities for housing and supportive commercial development.

We are going to have only one chance to develop this corridor and protect our investment.

We have to get it right the first time.

I have already begun discussions with Atlanta Gas Light over the disposition of the properties they have acquired as part of the cleanup.

And, two months ago I took representatives from a billion dollar investment company to tour the project – they described the area as a “huge” asset.

I encourage you to take two important steps early this year:

First, provide funding for a development plan, looking at the public and private properties in the blocks surrounding the canal.

The study should include, among other things, zoning, existing and potential land uses, historic considerations and design standards, environmental protection and potential incentives for redevelopment.

Second, the Commission should join me to establish a stakeholder’s task force, which will use that study to develop a blueprint for the future of those properties.

Much as the Mayor’s Brownfield Commission has contributed to the cleanup and potential redevelopment of blighted areas in Hyde Park, a similar task force can provide guidance to the City and the Canal Authority in this important section of downtown.

Let’s not squander the opportunity.

There are many other challenges - and accomplishments - I could talk about today.

Yes – We will have to:

Hire a new administrator,

Consider the consequences of a Base Realignment and Closure that may not be friendly to Fort Gordon,

Absorb the loss of as many as 2,000 jobs at Savannah River Site over the next two years,

And work with our governor’s task force to protect our interests in the Savannah River,

Among other issues.

But as one community pulling together and working with our regional partners...

Neighborhood to Neighborhood,

Commissioner to Commissioner,

City to City,

County to County,

We will be prepared to face whatever storms approach.

President Teddy Roosevelt understood how to achieve greatness:

"Far better is it to dare mighty things, to win glorious triumphs, even though checkered by failure...than to rank with those poor spirits who neither enjoy much nor suffer much, because they live in a gray twilight that knows not victory nor defeat."

I want to win for Augusta, and I know you do, too.

When I ran for Mayor in 1998, I did so thinking that I could contribute something to the betterment of Augusta.

I understood the limitations of the office.

I accepted that hoping that at least I could use the office to provide inspiration to the Commission, showing no favoritism to anyone.

As Mayor I have no axe to grind.

My interest has been what is in the best interest of the entire community – all eight Commission districts.

And, this is my challenge to everyone in this room, Commissioners, Department Heads, Employees and citizens – let's put the City of Augusta first and foremost!

Let's move beyond personal interest, personal ambitions, and individual and regional agendas.

That doesn't mean we don't want the best for our areas.

We do.

But we have to consider whether those interests interfere with our common interest in the total community.

You and I know that we need to pull together!

Going our separate ways will only mean further misunderstanding and failure to move this community forward.

From the very beginning my pledge has been to put the best interest of Augusta-Richmond County first, and I challenge everyone to have that goal in 2005.

As President Lincoln said:

“I like to see a man proud of the place in which he lives. I like to see a man live so his place will be proud of him.”

I look forward to serving with you another year as the mayor of this great city.

Thank you for your attention today.

May God continue to richly bless the people of Augusta.