

2008 STATE OF THE CITY OF DEARBORN

MAYOR JOHN B. (JACK) O'REILLY, JR.



Thank you for being here tonight.

It truly is a privilege to lead this great City, and to partner with the City Council, city employees and community and business leaders like you to continue to move Dearborn forward.

Before I go further, on behalf of my family I want to acknowledge the kindness of the community after the passing of my father two weeks ago.

Your outpouring of support reminded me of why this community is so special.

It also reminded me of this community's strength even in the face of tremendous challenges. Our founders learned to overcome adversity early in Dearborn's history since it was only eight months after we were incorporated that the country was hit by the Great Depression.

Despite this baptism by fire, they fought through those tough times to build a steady foundation for the City we now know and love.

This pattern has been repeated over and over.

More recently, in the early 1980's, Dearborn faced trying times.

A recession gripped the economy with double-digit inflation. My father was forced to downsize government, reducing the number of City departments from 22 to 13 and the number of employees through attrition only from nearly 1200 to 800.

On top of that, the State-mandated changes in how properties were valued in Dearborn. In one year, residential property taxes increased on average 49%.

These two huge economic blows had some people doubting Dearborn would ever see good days again.

But many more refused to give up on this City. Their confidence was rewarded with the City's unparalleled growth in the late 80's and throughout the 1990's.

History is clear. We're going to face challenges.

But Dearborn's history has shown that we've come out of these challenges stronger and better prepared for the future.

The question is, why?

Is it because we have solid housing stock, stable neighborhoods, and beautiful parks?

I think these are the products of our success not the reasons that we've been successful.

The real reason lies in our hearts and in our minds—it's our commitment to this community and this way of life.

That commitment is stronger than anything we can build.

We show it when we believe in ourselves . . . when we believe in one another . . . when we sacrifice for the common good . . . when our faith is greater than our fear.

Our commitment has allowed us to define our own destiny. And that's precisely why I know we're going to persevere.

It's going to take all of us. It's also going to take strong leadership and vision.

These attributes have been a key to our success in the past. And they will be again as we move toward our future.

Because there are a remarkable number of issues that come up and compete for attention it would be very easy to lose focus. That's why we're concentrating our efforts on those areas that are most critical.

In our neighborhoods we're putting together plans that will rival the most sweeping renewal efforts we've ever undertaken.

It's no secret that we're facing significant issues brought on by the downturn in the economy and the foreclosure crisis.

Even though our community is stronger than many surrounding cities, our housing market has improved in the last few months, and foreclosures represent only about two percent of all our houses, we still see the foreclosed signs out there.

And, because we're Dearborn, a community that so strongly values its neighborhoods, we're more upset by the sight of them.

So, *because we're Dearborn*, we're going to do more to fight back.

For almost 50 years, we've used Operation Eyesore to buy 1,266 substandard homes to tear down and then refresh our housing stock—and that continued in 2007 with 11 new homes built because of these efforts.

More recently we've aggressively applied the HUD Dollar Program to buy and demolish foreclosed homes that threaten our neighborhoods. So far, 65 of those have been eliminated.

Now, with the City Council's support, we'll enforce new initiatives to bolster our existing neighborhood stabilization efforts.

Just yesterday, I asked a long-time community supporter to coordinate our efforts. He reports directly to me and will build on the good work already started by the Legal, City Plan, Building and Safety and Economic and Community Development departments.

We'll focus on buying and removing marginal or undervalued homes—or, in some cases, renovating them with modern amenities and reselling them to first time home buyers.

For this expanded approach, the City will partner with county, state and federal officials, lending institutions, contractors, realtors, and neighborhood associations.

Also part of our strategy will be financial education and counseling for homeowners. There are many working people who want to live in homes they own and we want to bring them home to Dearborn.

We want to address the most visible issues impacting our neighborhoods now, but we're not stopping there.

All of our neighborhood stabilization programs will also give us tools to assemble larger residential lots.

Why is this important?

I strongly believe that for the long term, we need to transform our 30-40 foot wide lots designed to house the new Ford workers in the '20's and '30's into the parcels people seek when they bypass Dearborn for newer suburbs.

Larger lots to accommodate newer, bigger homes will help us stay competitive as a community even 20 or 30 years from now.

We've had one tremendous success with this approach already.

Last year, we bought the Sarkozy Athletic Field, turning the vacant site into 15, sixty-foot wide residential parcels.

As intended, we resold these lots near Fordson High School to a builder who, by the end of 2010, will construct 15 new upscale homes.

And, we sold these lots on average for \$30,000 more than we paid for them.

While we're moving ahead with initiatives to transform our neighborhoods in the future, we're also emphasizing the basic rules designed to keep them in good shape now.

We'll be reinforcing the requirement that all owners, including those of vacant property and rental housing, maintain our Dearborn standards.

We're working on a vacant property registration program. To protect our neighborhoods and property owners, we need to act now.

And we've made it easier for residents to check if a house is a registered rental property by using our City's website. Who is more likely to know if a property is a rental than its neighbor?

Rentals are not the problem. It's compliance and accountability that we're after.

To make sure our actions will be meaningful, and, frankly, make sense, we seek feedback during roundtable discussions with realtors, contractors and landlords and we listen to neighborhood associations.

Yet, we want to improve our communication tools when we work with neighbors on issues that directly impact them.

A good example is the dramatic removal of trees near Military and Outer Drive to make way for two of our federally-mandated pollution control projects.

A year before the first bulldozer was on site, we developed a plan with nationally known landscape architects and local environmentalists to fully restore and enhance these areas.

But we did not effectively communicate this fact. Even my wife Chris asked me when I arrived home that evening, “What the heck did you do with the trees on Outer Drive and Military?” That was a clear sign to me that we need to improve our communication.

So, I’m personally working with residents to refine this plan and take additional actions to provide immediate relief.

As dramatic as the initial action was, we’re confident that the planned restoration will provide a healthier and more beautiful natural buffer for those who live near and drive by these areas.

The City is also working with stakeholders in developing a marketing campaign—another key tool to strengthen our neighborhoods now and into the future.

Called *Welcome Home Dearborn*, the campaign will remind home buyers in the metro area as well as our own residents of the great values and outstanding amenities we have here. We know if we can get you excited about our community, it will be easy for you to share your passion about Dearborn with others.

We’re building that excitement through the campaign’s powerful website, www.WelcomeHomeDearborn.com. And soon you’ll start to see and hear prominent ads promoting Dearborn.

The campaign has already begun to generate great testimonials from our best sales people—our own residents.

Garland, a Dearborn resident, says:

“I came here in 1993, thinking I would eventually move to the other suburbs like everybody else... but I came to realize that people in other suburbs don’t get to know their friendly neighbors like they do here. They don’t have the great public schools and libraries. They don’t have the fantastic garbage pickup, garage sales, and block parties. And above all, they don’t have Camp Dearborn or Homecoming. That’s why Dearborn is my home.”

Thanks Garland for being here tonight.

By the way, we're enhancing the excellent services that you refer to with our new Public Service Days. Through this program, we're delivering concentrated doses of public works services to each neighborhood twice a month throughout the year meaning residents will receive more direct services without additional costs.

But it's more than our great services that appeal to Nina, who said she loves Dearborn because:

"At 41, I have lived in several countries, multiple cities and owned over a dozen homes. My husband, children and I moved to Dearborn three years ago. In that short period, we have made more friends than in the previous 20, we have been invited to participate in organizations, events and festivities as if we had lived here and made a mark on the community for a lifetime."

I think Nina sums up what makes Dearborn special. And it's reflected in stories we hear over and over from people who have moved away to newer suburbs—they regret the loss of the community spirit found here in Dearborn.

Thank you Nina for choosing Dearborn and for being here tonight.

We need more ambassadors like Nina and Garland if we're going to capture and convey that sense of community to attract new home buyers and welcome former residents back.

I just want to talk a moment about another aspect we'll be promoting through Welcome Home Dearborn: our public schools.

I think the successes of our public schools are among the best kept secrets of our community.

We have unique opportunities that other districts don't even offer. They include the highest credentialed Early Learning Center; a Montessori option for all residents; and a Science, Math, and Technology Program targeted at the highest achieving students to give them a competitive edge.

Sixty 2007 graduates of this last program received an average ACT score of 29 and earned entry and scholarships to some of the best colleges in the country.

We have innovative programs in nursing, dental, culinary arts, and other disciplines where our students graduate from high school well on their way to a college degree and a career.

We need to work with the district to promote these accomplishments, so that we're not losing home owners or turning away potential residents because they don't know the whole story.

Here is something else they may not know: significant commercial investment continues in Dearborn.

Topping that investment is Severstal North America. The steelmaker is continuing with its incredible six-year, \$1 billion capital improvement project for its Dearborn operations.

As impressive as that is, here's news on the project I know everyone wants to hear about: Within a month we expect to bring to the City Council for final approval a Ward's redevelopment project that will preserve 300 jobs in east Dearborn, and add more than 200 new positions.

At this critical Michigan and Schaefer intersection, Redico Development is planning to build a major medical campus for Oakwood Healthcare System.

The campus will also include some retail stores and at least 100 units of new senior citizen housing, operated by the well-respected American House.

This \$70 million project will be a lasting anchor for the east Dearborn downtown, and its scope and size will make a very visible statement about Dearborn's continued vitality.

Less visible but very vital is the new development along our traditional commercial corridors. One example is a new Holiday Inn Express on Michigan Avenue, west of Telegraph.

Along with brand new construction, our longtime business partners are making dramatic investments, like the Dearborn Inn's \$5 million renovation of all of its rooms.

Or Les Stanford which is creating a strong presence on Michigan Avenue by renovating its Chevrolet dealership and relocating its impressive Cadillac showroom.

And right next door their neighbor Jack Demmer is also expressing its confidence in Dearborn by investing in a modern facility.

At Fairlane Town Center the site of the former Sak's Fifth Avenue will be home to a new P.F. Chang's, a Bravo Italian, and one other exciting restaurant in a stunning outdoor courtyard.

Progress also took place on another project on people's minds. Dearborn Village Partners continued with plans for a multi-million dollar residential and retail project on the north side of Michigan Avenue in west Dearborn.

In 2007, it earned support and a financial package from the State of Michigan's primary economic development agencies.

This important state financing means the project can move forward without any direct financial support from the City's general fund.

We are also eager for the Warren Avenue reconstruction from Schaefer to Lonyo to finish this summer, to bolster this vital business district. In 2007, we saw new office and commercial buildings open on Warren and along Schaefer.

To attract additional commercial investment, we're exploring an intermodal train station, the construction of graduate student housing in one of our business districts, and a conference center that might boost our hotels, tourism, and shopping areas.

And, we're supporting Ford Land with its efforts to market its superior office space to attract companies to Dearborn and to help us diversify.

That diversification and all we do to support new investment strengthens our tax base and our bottom line. But we're just as focused on finding savings wherever possible, like the recent refinancing of bonds that will save our taxpayers \$324,000.

Those savings are important because 70 cents of every property tax dollar you send us goes to other units of government. That leaves just 30 cents of every property tax dollar to pay for all your Dearborn city services.

And of that 30 cents, more than half is spent on public safety.

Our commitment to public safety is unquestioned. Our charter mandates minimum staffing levels for police and fire, and we continue to invest in training and equipment. Our efforts have paid off.

In 2007, the Fire Department maintained an average response time of less than four minutes – among the best in Michigan – despite an increase in the number of calls.

A state-of-the-art ladder truck and two rescue ambulances were purchased last year to replace aging equipment, and two more fire trucks are on the way.

Here's positive news from our police department:

Police efforts led to reductions in 10 out of the 12 categories of major crime, including breaking and entering, robbery, and vehicle theft.

And yet more criminals were taken off the street, too.

In 2007, patrol officers increased their arrests by 25 percent and detectives turned over 10 percent more felony cases for prosecution.

These great efforts will be enhanced by our Neighborhood Watch Program.

Since you know your neighborhood best, our plan is to educate and inspire you to be involved in keeping it safe. You can do this by calling a new community hotline and reporting any suspicious activity even if it may seem minor, like an unknown vehicle repeatedly circling your block.

Often this information helps our Police Department prevent crime.

A simple anonymous call to 943-3030 from you and we'll do the rest.

This crime prevention program will complement our well-attended personal safety seminars, our "park and walk" patrols in the neighborhoods and our partnership with neighborhood associations.

We're also partnering with our many service and fraternal clubs, churches, school groups, scouts, and charities to nurture the tremendous community spirit that defines us.

A recent example comes from the Dearborn Allied War Veterans Council who quickly and generously responded when presented with a worthwhile cause. Despite very short notice they recruited an army of volunteers who planned, organized, and then hosted an extensive event. On one Sunday afternoon, they made a meaningful and long-lasting difference in the lives of a local family.

It's this kind of community spirit that inspired Susan to write this about Dearborn:

“What makes Dearborn so special to me are the people. Born and raised in Dearborn I have enjoyed the benefits of close knit neighborhoods and wonderful schools that helped breed lifelong friends. Now my children get to experience the same gifts this city offers me. Great neighbors who you can count on, block parties, neighborhood associations and wonderful parks. This is just one aspect of this wonderful city!”

Thank you Susan for sharing your heartfelt comments and for being here.

I've touched on many things tonight to get excited about. As you can see, we're making real progress despite these tough times.

But I would rather you focus on what Garland, Nina, and Susan had to say.

While I'm sure they are aware of our challenges, there's nothing in their words to suggest there is any other place they would want to be.

Their comments resonate with a sense of appreciation for the things that set Dearborn apart.

And, they remind us about our greatest strength—our collective commitment to our Dearborn community.

If we believe in ourselves, if we believe in our neighbors, if we're willing to sacrifice for the common good, and if our faith is stronger than our fear, we will repeat Dearborn's historical pattern and overcome our challenges.

We know what we have done.

We know what we can do.

Work with me and our other fine leaders and I know we'll define Dearborn's destiny once more.

Welcome Home Dearborn!

Thank you and good night.