

Duluth State of the City Address

Mayor Emily Larson

April 15, 2019

I'd like to start by acknowledging the traditional Native inhabitants and custodians of the land, both past and present, on which we meet today – the Anishinaabe peoples and other Tribal Nations – prominently including the Fond du Lac Band of Lake Superior Chippewa – and I want to pay my respects to ancestors before us and Elders with us today.

I also want to extend my warmest regards and thanks to Kevin DuPuis, Fond du Lac Chairman, for being with us tonight. Over the past three years I've been honored to get to know you, learn from you, and work with you.

We start this evening by acknowledging place, people and history because these are what ground us.

They connect us – they call us home.

Being here also feels like I'm welcoming you into MY home. We live a few blocks from here. I'd have invited you all into my living room, but I have a small house, and that wouldn't have worked.

But this neighborhood – the Hillside – IS my home. It isn't fancy or flash. But for me, it's a real and honest depiction of our city.

It's got the things I love about Duluth – smaller, more affordable houses – a rich mix of renters, homeowners, and students – racial diversity, easy access to the outdoors and some of the best lake views in town.

And it has some of the things I find slightly "inconvenient" about Duluth – steep, slippery hills, difficult parking, and like just about everyone else in town I think our streets are in some of the worst condition.

And still, it's home.

On my morning run I head across a few unfinished alleys and backyards to Chester Park.

My kids learned to ski in that park. We'd send them off with 75 cents for gummy bears and they would ski or snowboard all afternoon, then jump off the lift, cut through the woods, cross Skyline and ski home to our backyard.

This is our neighborhood school. Our son Eli was part of the same drumming circle we heard from earlier tonight, back when he went to school here. That was 5 years and a foot and a half ago.

Our son Gabe graduates from high school this year. And as is the new tradition in Duluth he will be doing his gown walk back here – in Myers Wilkins. He's ready to launch into the world, and the gown walk is a way of returning home, of recognizing and honoring where you came from and who helped you on the way.

So, I'm particularly pleased that we're here tonight at Myers Wilkins School.

Named after two powerful and visionary women – Ruth Myers and Marjorie Wilkins – this school embodies the African proverb "it takes a village to raise a child."

Ruth Myers was born in 1926, a proud member of the Grand Portage Band of Lake Superior Chippewa. As a child she was taken from her family and sent to an Indian boarding school. This painful experience shaped her life, and she came through that pain and harnessed it to inspire positive change.

Ruth was known as a woman of integrity, who knew who she was and never forgot it. She refused to be silent and was known by others as “Uncouth Ruth from Duluth.”

Ruth became known as the grandmother of American Indian education in Minnesota – recognized by the University of Minnesota with an honorary doctorate for her lifework with young people, and for her calling “us to look beyond ourselves” and to help people in need.

Ruth was an organizer, too.

Active in the community, Ruth served on dozens of boards and Commissions – but oftentimes she sent others to meetings in her place – just one way she lifted others up and empowered new generations of leaders.

Ruth’s friend and co-conspirator for change, Marjorie Wilkins, was an African-American community activist.

Marjorie was one of a small number of African-Americans born in Duluth just after the 1920 triple lynching of three black circus workers.

She was denied entry into Nursing school and persevered to become the first African American woman to graduate from St. Mary's School of Nursing. Later, she became the first African American anesthetist at St. Luke's Hospital.

Every day Marjorie and Ruth faced discrimination because of their race and gender, and they both worked tirelessly to break down the racial and economic barriers that often thwart dreams and break lives.

Both lived the value that we rise or fall as a whole community – or as my friends in labor say: “An injury to one is an injury to all.”

Their tradition continues today at Myers Wilkins.

Deeply passionate teachers who throw down every day to support their kids.

Community members who see the success of these kids as their responsibility, too.

Spend just a short time in this school and you’ll see high fives, hugs, and smiles – you’ll feel the energy.

But most importantly you will feel loved and respected.

I wanted to tell these stories before I launch into a more typical state of the city address – because as Mayor I’ve learned that embracing the complexity – the richness and difficulty of our lives and history together— is the path forward.

Seeing, naming, and listening is the first step in healing.

They are how we build a welcoming home. Together.

In the rest of the speech I want to lay out where we've been and where we're heading.

Let's start with four quick highlights of what's happened this year.

I have to start with **streets**, right?

We know our streets need work – lots of work – and there are no easy answers. Still, we're making some progress.

Last year we worked with NRRI on a new and more durable way to patch potholes. The good news: the experiment appears to have worked and survived this – THE WORST POTHOLE SEASON IN HISTORY. Now we need to figure out if we can make the process quicker and bring it to scale – here in Duluth, and across the region.

We successfully finished the first phase of the Superior Street rebuild and started Phase 2.

We've tried everything to squeeze more streets funding from our existing budget.

We continue to work with the state to secure legislative sign-off on our proposed sales tax. It's already been approved by 77% of Duluth voters, and when passed it will raise 7 million dollars more each year for our streets.

My second highlight is all the **local investment and building** we're seeing in Duluth.

There are real signs of economic confidence and optimism for our future. Essentia is investing \$800 million into a new hospital campus and St. Luke's is investing 400 million – all within an our downtown and hillside neighborhoods.

This is a Big Deal.

We welcome it. We're ready for it. We're working at the Capitol to help make it happen, and we're making sure we meet the housing, connectivity, and parking needs of the neighborhood.

Highlight three. You already know I'm a bit geeky about planning, but I also love math, and I can't get enough of our **priority-based budgeting**.

Maybe a bit dorky, but just you wait. You'll be hooked, too.

This is the first year we've implemented it, and Duluth is the first city in the state to adopt this staff and community driven budgeting practice. What's exciting (at least to me, and to Chief Financial Officer Wayne Parson) is that for the first time ever we know exactly what each city service we provide costs!

Major kudos to Wayne and his team, and to all of our city staff who have done an enormous amount of work to make this transition possible. I think it'll be worth the effort. Budgets represent our values and priorities in numbers, and now we can more precisely ensure they align.

And so here's my ask: before you leave, get some refreshments (made by Denfeld students!) and then swing by the table in back and vote on YOUR budget priorities for us as a city.

Speaking of priorities, my fourth highlight is **Neighborhood Youth Programming**.

Yes, youth programming will be back in the parks!

We've hired two new staff, and in partnership with the YMCA we're providing youth day camps in the Morgan Park and Piedmont neighborhoods.

We're also piloting a "mobile program" that partners with community groups to provide outdoor education and recreation opportunities. Think biking. Rock climbing. Frisbee golf. Paddling.

Duluth is an outdoor destination where over 6.7 million people come from all over the world to enjoy. Everyone in Duluth lives within 1000 feet of a trail. 1000 feet. No other city in the country can say that! Yet, many young Duluthians have no idea there are trails near where they live. We aim to change that.

Of course, this is about having fun and providing safe and creative activities for youth. But it's also about building stronger connections to this place – our home. It's about building connections and relationships between people, such as Women Hike Duluth, whose monthly trail walks have connected hundreds of women of all ages and abilities from across the city.

These are just a few stories of the many ways we're investing in our future and building on our strengths as a community.

So where are we headed?

During my first term we've focused on taking on the historic inequities and big challenges that divide and test our community.

The quality of your parks or streets shouldn't be determined by your zip code.

Your safety and security should not be determined by where you live, or by your race or religion.

It is fundamentally wrong that a person in Lincoln Park has a life expectancy 11 years less than a person living in Congdon.

These disparities are generational in the making and will take years of persistent focus and purpose to solve.

In our first term, we laid out four key priority areas to give us focus:

- improving streets and other public infrastructure;
- connecting jobs with those who need them;
- making Duluth more sustainable and energy resilient; and
- meeting our housing shortage

We haven't solved these massive challenges yet, and still, we've taken real steps forward.

During my first term, we have pro-actively reached out to repair relationships and collaborate with St. Louis County, the Fond du Lac Band, and community partners.

We've laid the foundation for bigger things to come.

During my first term we've made the case that city government needs to become more inclusive. More collaborative. More fair and transparent. We've worked to listen and include more voices and ideas. We've met with thousands of people across the city. We operate by a mantra that the people most affected by our decisions need to be included in those decisions, or our efforts are doomed to fall short.

We've made mistakes to be sure, but three years in, I hope people feel a bit more connected and included, a bit more hopeful and confident that their stories will be heard and make a difference.

Ultimately, it is this confidence that I belong, that I am welcome and that my voice matters that will make or break everything we do as a city and as a community.

Duluth, we're on a roll.

We're riding a surge of momentum, national recognition, and hometown pride. We're also home to Olympic gold medalists and back-to-back national hockey championships.

And I am proud of what we've done together.

Yet despite positive job growth and new economic energy – despite that for the first time in a long time there are more jobs than active job-seekers – there are still too many people who can't secure a job, housing or child care that meets their needs.

Despite good news on our local efforts to transition to renewable energy, climate change increasingly inflicts more and more damage on our community.

Jobs. Childcare. Housing. Energy. These are urgent problems that we can't wait to solve.

So, let's take each of them on.

### **First, Jobs.**

I know City Hall doesn't create jobs – as much as we Mayors sometimes like to take credit. But we can and must redouble our efforts to make sure everyone who wants a decent job can find one.

With the hiring of Elena Foshay, and the elevation of her role, we are integrating workforce development and career pathways into everything we do as a city.

Despite historically low unemployment rates last year, 7% of construction jobs, 8% of healthcare jobs, and about one in five service jobs went unfilled. Disparities persist along racial lines with African-American and Native American residents 4 times more likely to be excluded from a job

For my white friends in this audience – this racial disparity is our problem. If these statistics were about our families, if this dynamic of economic inequality were impacting our kids, we would be screaming from a mountaintop. I know it. If we don't address these disparities, they threaten the economic health and vitality of our whole community. Because as Paul Wellstone said, "WE all do better when we ALL do better."

We can't wait. We can't just wait for someone to offer help. And the market, left to its own devices, has done little to fill these worker shortages or erase these racial disparities.

So, here's where we're headed.

We need to build a talent pipeline to fill job vacancies in key sectors of our economy and smash persistent disparities across race and gender.

Working with the Duluth Building Trades and other community partners, we've taken a first step to address disparities and job shortages in the construction trades. On every significant construction project the city financially supports, we are now creating career pathways for women and others facing structural disadvantages that block their opportunities for work and a career.

We will proactively seek to work with builders and businesses who embrace creating job opportunities for those currently without jobs – partners who see this both as a personal priority for their business as well as the key to building shared economic prosperity across our community.

We will partner with healthcare employers, educational institutions and the hospitality industry to build strong pathways that provide workers a variety of different career options.

Duluth's CareerForce Center will form a group of Employer Workforce Champions – a group of business leaders who are committed to working together to create and help lead innovative city-wide efforts to tackle our workforce shortages and connect people with meaningful work. And the City of Duluth, as one of the area's largest employers, will sit at this table of Champions, not at its head, but because we are committed to seeing this change happen as an employer, and we, too, have a lot to learn.

## **Second, and connected with jobs, is accessible and affordable childcare.**

A recent report identifies a shortage of 2600 childcare spots in St. Louis County.

The economic cost of this shortage is immense – employers lose millions of dollars in lost productivity and families lose thousands in wages. Without childcare many of our children are denied opportunities for a healthy start in life. This stresses families and burdens employers.

And again, we can't wait.

So, here's where we're going.

The City Council just passed a zoning change that will allow childcare facilities to be located closer to where parents work. Already, several local businesses have stepped up and expressed interest in building childcare facilities.

Duluth's 1200 Fund is currently working to develop a revolving low-interest loan program to help cover initial start-up costs for home-based childcare, and we'll continue looking for ways to eliminate barriers.

Finally, I'm asking our Chief Administrative Officer, Noah Schuchman, to engage the County, State, School District and other community partners around jointly creating a downtown child care center for children of public employees and low-income, downtown workers.

### **Third. Housing**

You may notice I talk about housing every year. That's because we still have a problem.

We've helped catalyze the building of nearly 1000 new houses and apartments – and this is a meaningful step toward meeting our housing shortage. And yet we have failed to solve the puzzle of affordable housing.

We can't wait for someone else to solve this crisis – and let me be clear, it is a crisis. When people are not safely housed their health suffers. Housing uncertainty harms children and impacts our schools. On any given night hundreds of people in Duluth have no home, and hundreds more worry if they'll have one next week.

This is simply unacceptable, and we are morally obligated to figure this out.

So, here's where we're headed.

For the first time we will have City staff fully dedicated to focusing and energizing our housing efforts.

We're hiring a housing developer in Planning and Economic Development– a position shared with the Duluth Housing and Redevelopment Authority. This person will join a housing team and work with community partners to achieve the housing goals laid out in Imagine Duluth 2035.

To be clear, the barriers to affordability – the rising costs for construction, fewer state and federal resources, and growing economic disparity – are not unique to Duluth. They challenge cities across the country. But we can't let these barriers derail us, nor can we simply replicate what we've done in the past.

For me, housing is a math problem. And somehow, we need to change the equation.

To be honest, we don't have THE answer here, and there's more than just ONE. We need every answer we can find. Every new and innovative idea. And we need your help.

Toward that end I will be working with Council President Hobbs to activate a Mayor's Task Force on Affordable Housing. I'm calling on allies from the health care, business, county and aging sectors – all who are impacted in different ways by the housing shortage, and all who can bring other allies in the



community along. This task force will not debate or investigate whether we have a problem. We know we have a problem. Rather, they will have a clear mandate: come up with a long-term, dedicated funding mechanism to address our affordable housing crisis.

I will also be announcing soon a contest of ideas – Rebuild Duluth – a contest to unleash the ingenuity of Duluthians. The details will be forthcoming, but the concept is simple. The city has developable land across the city. We will identify and secure 10-15 parcels and make an offer: If you come up with a good, achievable idea that can provide affordable housing on the land, it's yours. For free. The city will help with all the tools at our disposal, but what we need from you are new ideas and your drive to change the math and create new ways to imagine building affordable housing.

### **Finally, energy resiliency and sustainability.**

We said we would reduce the City's greenhouse gas emissions by 15% in my first term, a down-payment on our commitment to reduce emissions by 80% by 2050. We'll meet that 15% goal. With the full implementation of the Steam Plant conversion we'll more than double that reduction by 2020.

A huge shout out to our Energy team – Erik Birkeland, Alex Jackson, and Mike LeBeau.

We've made real progress, and yet, science and the survivability of the planet say we must do more – and do it faster.

Climate change is pounding our City now. It's not some future threat. We saw its effects these past two Octobers when massive storms wreaked havoc across Duluth and twice took out the Lakewalk. We saw the very real effects of climate change in 2012 when we suffered over \$100 million dollars in flood damage. We can't put this off for a more convenient time.

We've made real progress, but (pardon the pun) we need to step on the gas. We must move away from fossil fuels and build our infrastructure to be more resilient as we continue to face 500-year storms every few years.

So, here's where we're heading.

The City Council just approved my new Energy Plan Commission, which will help develop the policies and drive the city's strategies for greater energy efficiency and reducing greenhouse gases.

This is a start.

But Duluth still doesn't have a comprehensive energy transition plan – one that connects to Imagine Duluth 2035 and provides a roadmap for how we reach our energy and sustainability goals. Nor do we have a set of city policies that drive energy efficiency across every department and office in the city. And significantly, we do not have a point person or office in charge of building the partnerships and strategy for energy transition for city government and across our community.

I will therefore be asking the Council to create a new Sustainability Officer position and Office. This person will report directly to the Chief Administrative Officer, work with the new Energy Plan Commission, coordinate across city departments, and build the community will and partnerships needed to develop, implement, and monitor progress on a comprehensive energy and sustainability strategy for Duluth.

We need to be bold in our vision and practical in developing the big steps we need to take.

- We need to move to 100% renewable electricity.
- We have pledged to reduce city government's greenhouse gas emissions by 80% by 2050. This is the city's commitment, but we're only 6% of Duluth's total emissions.

It's time this becomes a community-wide commitment.

- We own two utilities – Comfort Systems and Duluth Energy Systems. Saving energy is a no brainer for us.

Our two utilities can and will do more to lead in the community and help customers, particularly low-income customers, make their homes and businesses more energy efficient.

Together – for it will truly take all of us – we can rise to meet this challenge.

I started tonight by talking about rootedness, the resiliency that comes through relationships, and the transformational power of belonging and feeling welcomed and respected. I'm talking now about how we build community and connection.

Of course, we need to do better connecting job openings to people who need jobs. We need more childcare. We have to figure out affordable housing. We must rapidly transition into a clean energy future. We need our streets fixed. But to do any of these we also need each other. Particularly in these times of division and polarization we need to remember – we need to return to one another.

We do it in times of crisis.

When we have a storm that tears up thousands of trees, neighbors come out with their chainsaws to help clear their neighbor's yard and open city streets.

When the Husky refinery exploded and threatened Duluth, churches, businesses and individual people across the city reached out through Facebook and Twitter to offer up their homes and check on one another.

When a blizzard stops the city, we grab our shovels and snowblowers and help dig out our neighbors.

Often we do these acts of kindness for complete strangers – not for reward but because that's what decent people do for one another.

We shouldn't need a crisis to step outside of ourselves and find each other. We shouldn't have to rely on tragedy to reconnect and rediscover what makes us strong and resilient.

So ... this is where some of you may be waiting for my last big announcement. Sorry – I don't have one. But still, I know there's something here – something that we need to pay attention to.

So over the next few months I'll be reaching out across the community to start a discussion.

- How can we remind ourselves to be neighbors to one another?
- What can we do to better understand what binds us together as people, as a community, and how can we build on that?

I want to hear from you on this (And I know you have ideas to share with me!). I'll let you know what I learn.

I'll end where I started this speech – with relationships and connections, and the stories and history that bring us together.

We've talked about housing and streets. Engaging young people and fostering economic growth. Making ourselves more energy resilient and harnessing our long history of entrepreneurialism.

We have four core focus areas with urgent demands and plans to address difficult problems.

Yet we know in the next few years we'll be walking into a stiff headwind – a whirlwind of change in the world. And being Duluthians, we know a bit about wind. We know when you hit a headwind, you must work together to withstand it. You take your turn leading into it. You take your turn blocking it from others. And you make sure nobody gets left behind.

It's a buddy system that works.

These past three years I've learned we can only overcome the challenges we face by facing them together. I can prod. I can agitate. I can direct resources and get behind good ideas. I can give great (and long) speeches. That's all important, and even necessary, but it's not enough.

We rise or fall as a community.

We can only do this together.

For together we are stronger.

Together we move forward.

And only together will we build a more inclusive, collaborative, dynamic, vibrant and equitable city ...filled with hope and a co-investment from each other for our greatest good.

And a city where everyone feels respected. And welcome. And at Home.

Thank you!