

Mayor Dan Coody's 2003 State of the City Address

The year 2002 was a year of progress for every department in the City. So many accomplishments were made that I will highlight only a few of the advances to illustrate the range of areas of improvement rather than the sheer number of them. For your convenience I am distributing a report from each department to detail individual accomplishments and I urge you to read each of these reports so you will understand how hard everyone has worked to make our City government function as well as possible.

We developed the Planned Zoning District process, completed our first area down zoning, passed impact fee legislation, and began acquiring land specifically for preservation and aesthetic qualities by selling other land we have accumulated over the years and from the settlement of the Kohl's lawsuit. We have started a real public transportation system reaching from South Fayetteville to the Jones Center in Springdale and west to Gregg Avenue. We have made substantial progress in building our multi-use trail system and greenways network and our Skate Park nears completion. I would like to add that all of these efforts benefited greatly from sustained and thoughtful public input, which we deeply appreciate.

We continue to complete drainage improvements, street and traffic flow improvements, and sidewalk construction. We are moving forward with our west-side fire station planned for completion this year while looking forward to a station on the east side of town. We are making steady progress toward construction of our wastewater system improvement project. We completed two bond issues that reduced our Water and Sewer Fund debt service costs and provided funding for the initial expenses of the wastewater system overhaul.

Our Solid Waste Department continues to make great strides in program development with the expanded recycling opportunities, improved composting techniques, the automated cart system, expanded commercial capability, multi-family recycling and commercial glass crushing pilot program. The Department has a 75% reduction in turnover and a much-improved safety record. Our Animal Shelter has seen a reduction in complaints, an increase in adoptions, and the hiring of an excellent full-time vet. In 1999 Fayetteville was placed in a "high risk" pool for our workers' comp policy because of the City's rate and severity of on-the-job injuries. Through an aggressive, well-managed safety program, we were released from the pool early, resulting in lowered costs and a safer workplace.

We are online with the long-awaited, and much-needed, Hansen Municipal Management System with Tele-works which provides a comprehensive information system to our community. We are able to respond to requests and concerns from our citizens on a 24-hour, seven-day basis. This system allows us to track and report the status of work orders, costs of service delivery and provide a new level of convenience and efficiency to our customers. Our e-government platform is viewed as the best in the State.

The most significant achievement for our Police Department was the appointment of Rick Hoyt as Chief. The modernization and improvements we have seen in that

department, and there are too many to list here, are the result of the Chief's initiative and the new team perspective of the men and women in the department. Our Fire Department continues improving its service to the community. The substantial increase in morale and productivity in these two departments are dramatic.

Fayetteville Municipal Airport has shown growth thought impossible only two short years ago. As operations and fuel sales increase, more aviation businesses are locating at the airport. Deficit spending has reduced steadily and the airport should be operating with a balanced budget in the near future. We have come a long way from the idea of making Fayetteville's airport a drag strip or hockey arena.

We have broadened our definition of "economic development" by recognizing the importance of quality-of-life and city livability issues while adopting a more entrepreneurial and aggressive approach to achieving our goals. A few examples include our recruitment of Olive Garden Restaurant, which continues to break the sales records of every restaurant in the chain; partnering with Danaher Tools to provide new sidewalks around Root School; and working to secure an \$8 million water park. We are actively pursuing other businesses that will fill specific needs in our community, such as state-of-the-art cinemas, builders of affordable housing, a convention center, and businesses that would enhance our technology base, to name a few.

Speaking of technology, I would like to bring something to your attention. The Milken Institute report is the standard by which the 50 states are judged in their standing in the technology environment. Unfortunately, Arkansas has always been rated 50th in our ability to compete in the New Economy. The lack of opportunity in this field forces our best and brightest to leave for other areas. The resulting "brain drain" widens the gap in a vicious cycle that condemns Arkansas to a life sentence of being one of the poorest states in the country. But here is some good news. This year the Milken report showed, for the first time, a city in Arkansas that rated recognition and placement on the technology map. That city is Fayetteville. We absolutely must continue our partnership with the University and work aggressively to strengthen our position in the fields of technology, not only for the benefit of Fayetteville, but for the good of the whole state.

Fayetteville was recognized as one of the "Dazzling Dozen" places to do business in the U.S. by Business Week magazine and we won first place in our class in the America in Bloom contest.

Everything I have listed represents only the tip of the iceberg. Looking back it's hard to believe how much has been accomplished in one year. And one of the most significant points to remember is that we have done all this in the worst economy since the Great Depression. This brings me to my next point.

Since the late 1990's our Budget Department has predicted the use of our reserve funds at the very rate we have seen. Two years ago we brought to you're a plan to spend down our reserves to meet the "good government" rule of thumb to keep in reserve roughly 15% of the general fund income or 60 days operating expenses. What was not foreseen was the severity of the national economic downturn or the \$1 million annual raise and benefit package given to Fire and Police personnel in 2003. We have been able to provide very high quality services for our citizens and expand existing programs to better accommodate the needs and wishes of our community. At the same time, we have held our employee count very close to year 2000 levels despite increased

population and expanded programs. During the winter meeting of the U.S. Conference of Mayors it was very clear that Fayetteville is better insulated from the fallout of the bad economy than the vast majority of other cities. While we are keeping employees and working to improve benefits, most cities are having to lay off members of their workforce and cutting back on basic services. However, we cannot increase operating costs, such as raises for Fire and Police, and add personnel that will be needed for a new fire station without increasing revenues.

We have seen the report from the Budget Office showing Fayetteville to have the lowest CITY tax burden in the region when taking into account all taxes and franchise fees. We have work to do and basic needs to fulfill that will cost money and we must have the fortitude to find the revenue to pay for them. For example, when we build the new west-side fire station the annual cost to pay for the personnel will be about \$650,000. We are going to have to find the strength to increase our revenue similarly to what our neighbors to the north charge for operation and maintenance. We have cut costs and increased efficiency as much as we can, and as our population grows, so must the organization that serves the population.

In the year 2001 Fayetteville began charting a new course into the future. The significant changes brought into City Hall that year brought with it an equal amount of turbulence. But those changes also laid the foundation for the substantial improvement that is underway in Fayetteville's government. While I generally avoid automobile analogies, I can't think of a better one to illustrate our present status. For the past two years we have had a top-notch team of mechanics make the engine of local government run with maximum efficiency. The recent reorganization was the result of living with and observing an organization that had not been redefined in too many years while the rest of the world grew and changed. While this reorganization is the last major change we anticipate for the next two years, we will continue fine-tuning as we move forward.

Now the questions become: which way is forward, and how do we get there?

As we all know, the future is arriving daily. If we only focus on our bi-monthly agendas we will drift into a future that none of us will like or want to claim. It is essential that we determine what our city should be and use our vision, our wits, and our resolve to harness our momentum and give it direction. If we do not do this, we will let Fayetteville, with its passionate soul and deep sense of community, become just another Anytown where people live only out of convenience. Without a doubt, planning well for the future is our highest-priority challenge.

My administration is dedicated to making Fayetteville the most attractive, vibrant, livable city of its size in America. We must carefully manage all of our resources, financial and human, to meet that challenge. But the only way we will be able to accomplish this most important goal is to work as a team with our eyes set on the path directly under our feet as well as on the horizon. For this reason I have elevated the Planning Office status to give us the tools we need to design our destiny. I know that you, the City Council, our Planning staff, and my administration share this perspective. It is very important that we get maximum benefit from our Leadership and Strategic Planning session scheduled for March. We must do what it takes to overcome any barriers between us and success. The price of failure is much too great.

Key members of the development community are beginning to understand the importance of new concepts in mixed-use project design, relationships to surrounding land use, and aesthetic appeal. I firmly believe the time is right for us to elevate our thinking and our expectations concerning long-range planning and its role in finding a complementary balance between our natural and our built environments, with our community's quality-of-life as the common denominator. Every decision we make, from personnel issues to infrastructure expenses, must be weighed against this standard. Not all of our decisions will be easy, but every one will be crucial if we are to be successful. There will be times that the needs of the community must outweigh the wrath of the individual. All of us in positions of leadership must understand that a small sacrifice may be necessary to secure a great benefit and the overarching vision for Fayetteville is more important than a few dissenting votes at election time.

The City staff and I look forward to a good working relationship with this new Council. By working together we will be able to accomplish things that would be impossible to achieve if we worked by ourselves. We have made great progress over the past two years, and Fayetteville's future has never been fuller of promise. We are at the right place at the right time and the advantages are ours to build upon. Let's fulfill our potential.