



NEWS

The United States Conference of Mayors

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Mayor Johnson USCM Speech Winter Meeting, January 21st, 2015 "The New Federalist Compact"

THANK YOU'S AND STATE OF THE UNION REFLECTION

- Thank you Tom, I want to recognize you for your undying service to this organization and to the USCM staff for their dedication and efforts.
- I also want to recognize my fellow officers, First Vice President Stephanie Rawlings Blake, and Second Vice President Mick Cornett whose leadership is a model for Mayors across the nation.
- Let me also recognize our past Presidents Mayor Kautz, Mayor Nutter, Mayor Pasquellic and Mayor Riley-- please give them all a hand.
- Last night, President Obama addressed Congress and the nation to say that the state of the union was strong.
- Today, we convene our 83rd Winter Meeting of the US Conference of Mayors and as your President I am here to say "The state of our nation is strong because the state of our cities is strong"

1. RECAP-- CITIES 3.0

- I'm halfway through my Presidency of this organization. When it began in Dallas six months ago, I came before you and introduced the concept of "Cities 3.0", the new era of American cities
- At the heart of this vision is the fundamental idea that the cities of yesterday are not the cities of today which means that they must function and be governed in a more innovative, efficient and effective way.

- In Cities 1.0, cities were built around ports, rivers, freight rail and transportation routes. They served as centers of commerce and trade.
- The second generation of Cities, or Cities 2.0, came much later during the Industrial Revolution. These cities were marked by factories, big industry, smoke stacks, automobiles and electricity.
- In Cities 3.0, where we are today, cities have become the leading hubs of innovation, entrepreneurship and technology; they are the epicenters of economic progress.
- In order to adapt to our new reality, we as mayors must practice “open-source leadership”, which means we have to be pragmatic problem-solvers who look for common sense solutions regardless of where they come from
- Our focus must be on meaningful and measurable results, so that the **promise** of our cities becomes the **reality** of our cities.
- Today, I want to expand on the vision of Cities 3.0, because it’s not just about what we do *within* our cities, but a 3.0 city also interacts with the federal government in a different way.

2. CONTEXT--AMERICA FACES BIG CHALLENGES AND WASHINGTON CAN’T SOLVE THEM

- I begin with a simple truth: As a nation, we face major challenges, and Washington has simply not stepped up to the challenge of solving them
- Powerful forces are transforming the way people interact with their jobs, their neighborhoods, and their cities.
- Consider the following:
 - Globalization pits American workers against the world. New industries are replacing old manufacturing, while new technologies threaten to automate their jobs.
 - Income inequality is eroding the middle class, making it harder for hardworking taxpayers to support a family, own a home, or get a good education.
 - Major demographic changes are bringing very different cultures into closer contact, while Baby Boomers are entering retirement age which is straining pension and healthcare budgets.
 - Climate change threatens our homes and infrastructure

- And what has emerged to be the most critical issue of the day and certainly of my Presidency is the growing gulf of mistrust between communities of color and law enforcement in many of our cities. We are a nation built on trust, and when that trust is broken, we **must** find ways to rebuild it.
- Clearly, the challenges are significant. It's also clear the federal government has been unwilling or unable to design and implement meaningful solutions to these problems
- So, they've landed firmly at the doorstep of our nation's Mayors.
- That means that being a mayor is no longer just about making sure the trash is picked up and the buses are running on time.
- Today, **WE** are the ones grappling with these very real, big picture challenges.
- The good news is that the American people generally think that Mayors are best suited to doing this work.
- As noted pollster Frank Luntz will tell you later this afternoon, Americans want Washington to do less and their cities to do more.
- In a U.S. Conference of Mayors/Zogby poll released today, nearly half of the American public believes their city is on the right track, compared to only 29 percent who think the nation is.
- Although America's trust in elected officials generally is nothing to write home about, Mayors rank higher among the public than the President, their governor, Congress, and their state legislature
- The federal government and states have historically had the capacity and mandate to confront our global challenges, but right now, they are out of step and out of touch with the people and our new metropolitan realities.
- So it's up to us...this is our opportunity to lead... to say what we mean... to mean what we say... and to deliver the **results** our citizens **deserve**.

3. A NEW FEDERALIST COMPACT

- As Steve Jobs said, it's time for us to *"think different."*
- So what does that mean for Mayors? It's time for a "new understanding" between local and national powers.

- Cities simply cannot be expected to be passive players waiting around for resources and direction that may or may not materialize
- These dynamics need to be flipped on their head. We need to organize differently, to demand and deliver better results.
- We're modernizing the way we run our cities so we have to modernize the relationship we have with the federal government
- We need what I'm calling a new **federalist compact** that recognizes the areas that require federal attention while leveraging and strengthening what truly drives the prosperity in the nation—our cities and metropolitan areas.
- These are ideas written about extensively in the book I often cite, *The Metropolitan Revolution*, by Bruce Katz and Jennifer Bradley.
- So, what, exactly, does a new federalist compact mean?
- First, we desperately need our federal government to **lead where it must**.
- Only the federal government can act with a national vision, direction, and purpose, because some problems we face transcend local borders and require federal action.
 - Metropolitan areas aren't able to provide a robust safety net for the elderly and the disadvantaged. That safety net provides the stable economic foundation upon which everything else grows.
 - Metros can't overhaul our enormously inadequate immigration system.
 - Metros lack the resources to fully fund economy-transforming research and development or new infrastructure without federal help.
 - And in a world of climate change cities can't change the behavior of companies and consumers
- These are the areas where the federal government must lead because they reflect the realities of global forces that dwarf state and local capacities
- So the federal government **MUST** make the commitment to act on them now, before it is too late, and do so aggressively.
- Second, while the feds are working on those issues we also need our national government to **empower cities where it can**, because America's cities and metropolitan areas can deal more efficiently and effectively with most of the other challenges.

- It's simple common sense that one size cannot and does not fit all in a nation as large and diverse as the United States.
- Federal and state programs and policies will be successful only if they can be flexible and individually tailored to meet the unique challenges facing our cities and metro areas.
- Because it's in America's cities that the challenges are being met with innovative, pragmatic, results-oriented solutions
 - In Philadelphia, Conference Past President Mayor Michael Nutter who co-chairs our "My Brother's Keeper" Taskforce has engaged in deep partnership with his police commissioner to establish an innovative community policing model because the long-standing "us vs them" mentality between the African American community in Philadelphia and law enforcement needed to end
 - In Bridgeport, Mayor Bill Finch, who co-chairs our Energy Independence and Climate Protection Task Force, has transformed an old, unused landfill into a Green Energy Park. This clean energy project will generate 5 megawatts of power through solar panels and fuel cells. Not only that, it's supporting the Bridgeport economy by creating 92 jobs and generating \$7M in new tax revenue.
 - Knowing that a regional, export-driven approach was needed to foster a 21st century economy and keep jobs in the United States, Mayors Greg Fisher and Jim Gray have initiated an innovative partnership between Louisville and Lexington to spark the growth of high-quality jobs in advanced manufacturing.
 - And, in an effort to revitalize a desolate downtown, Tacoma Mayor Marilyn Strickland has driven an urban renewal of her city's business district through light rail, affordable housing and street retail development
- There are countless other examples like these in the room today – of mayors demanding better and delivering results.
- Whether it's Ed Lee's "Entrepreneur in Residence" program, Chris Cabaldon's universal Pre-K, or the efforts to modernize our ports, freight rail and airports cities like Miami, Jacksonville, Chicago, Denver, LA and Dallas.
- Imagine how much more we could do if we had a federal government that empowered us rather than hindered us with rules, restrictions and regulations.

- Which brings me to my final point...
- We need the federal government to **invest where it should**
- Because we all know that solving looming national problems takes not just resolve, but resources.
- All of those examples of Mayors taking the lead that I just talked about require significant investment
- That's why we need resources to come to cities more directly and with more autonomy.
- If money must come through states, it must come with the flexibility to be spent on local priorities
- But even better than that is if those dollars came directly to cities
- Imagine the power of a modern day WPA that's focused on local public works projects
- Whether it's water mains, street repairs or sewage system upgrades every city has significant infrastructure needs
- Investing in local infrastructure creates a win-win-win situation:
 - First it's an economic win because these public works create jobs,
 - Second, it's an environmental win because we can modernize infrastructure in more sustainable ways,
 - And last, it's a public safety win to upgrade deteriorated pipes, sewers and streets
- The role of the federal government is to ensure the US is competitive in an increasingly global world.
- One of the things that will allow America to be more competitive is the improving the integrity of our infrastructure

CONCLUSION

- The bottom line is we need our federal government to fundamentally restructure the way it does business

- The days of solutions that are exclusively made in Washington DC are over – because progress **begins** where the status quo **ends**.
- Let me conclude with this thought.
- Today, we are facing an inversion of the hierarchy of power. We're flipping the old paradigm on its head.
- Cities are now the leaders in the nation: experimenting, taking risks, making hard choices.
- If we can adopt a new federalist compact that ensures the federal government:
 - Leads where they must
 - Empowers cities where they can and
 - Invests where they should
- Then cities can drive the nation to economic and civic heights we've never seen
- Although we have challenges, my message to this conference is clear: this is our moment. Our time, as cities, has come.
- Let us seize the day and make a measurable difference—for our citizens, our communities and for our nation.
- Thank You.