Clerk File No. 313307

Mayor Mike McGinn's 2014 Budget Address

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The City of Seattle – Legislative Department

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Date	Recommendation	Vote

This file is complete and ready for presentation to Full Council. _____

Full Council Action:

Date	Decision	Vote

Councilmembers, community members, thank you for this opportunity to present the 2014 budget.

In 2010 when I took office unemployment was at 9.9% in Seattle. It's now 5.2%. It's a very different economy.

Today, Seattle has 9.3% more jobs than we did at the trough of the recession, compared to 3.1% growth in the rest of the state and 5.2 percent growth at the national level.

In 2010, businesses were closing. Last year, we saw 3,000 new business licenses. Seattle has become one of the best cities in the country to find a job, according to Forbes, and in August we had the most job openings in the country. The University of Toronto ranked Seattle as the second-best performing urban area in the world for economic development.

Construction remains strong, and sales taxes and real estate excise taxes are exceeding forecasts. And we continue to closely watch spending. We come to the midpoint of our 2013-2014 budget with more dollars available than we anticipated last November, and that means we can make new investments in our people and our infrastructure.

This is in stark contrast to the first budget I worked on with you in 2010.

When I took office the previous budget year had ended $2.4 million in the red. The rainy day fund had been spent down by $20 million. We cut $67 million in the middle of 2010 and brought the budget back into balance.

And we did it together. We listened to the public. Found efficiencies. Made hard choices. We protected human services, and substantially maintained core services and essential public safety functions.

And we did so in a fiscally responsible manner. We have finished every year in the black, and even in tough times began rebuilding the rainy day fund. In fact, with this budget I can report to you that by the end of 2014 we will have rebuilt the rainy day fund not just to pre-recession levels, but to a record level of $34.7 million.

Now, the rainy day fund is primarily to deal with a future recession. For a true emergency that requires immediate cash, we have our emergency subfund. I can also report to you that by the end of 2014 that will be at a record level of $48 million. This city has never been in a better budget position to deal with an emergency, or an economic downturn.

I want to extend my thanks to the city budget director and team, city employees, and you, City Council members, for your hard work to get us here. This doesn't happen alone. In fact, let me thank all of you council members in advance - the work of this city

as reflected in this proposed budget also reflects your ideas, your passion and your commitment to the city.

We are in a good financial position as a government. But while budgeting is about fiscal management, and about bottom lines, it is about much more than that. A budget is about people. It's a moral document. It puts resources behind our vision of the city we want to see.

And I want to talk about that.
Because the fact is that we face major challenges - how to address income inequality, how to live together as a multicultural city, how to face the threat of global warming.

We all want to see a city that takes on those challenges, and prospers. A city in which every individual has the real opportunity to pursue their dreams, and share in that prosperity, no matter their color or place of birth. A compassionate city. A city which is safe. And a city that points the way to a better environmental future for all of us.

That's what I have heard from you in over 150 town halls, walking tours, listening sessions across this city. Those are your priorities.

I now want to talk about how this budget takes specific steps to achieving those objectives.

Education

First, I want to talk about education. Nothing is more important to opportunity and economic success than education.

The people of Seattle know this. That's why we voted to double our Families and Education Levy even in bad economic times. It was made even more important by the state's failure to meet its constitutional requirements to fund education.

Implementation of the levy remains a priority, but we are now in a position to invest more in our children. One of the most common things we heard in the Youth and Families Initiative meetings in 2010 from the public was that more needed to be done to help our children be prepared before they enter school.

The data backs them up and shows that investing in early learning is one of the best ways to help a child graduate ready for college and a career. In January I made a commitment to develop an early learning initiative that includes Preschool for All. I appreciate that the City Council also embraces early learning and I look forward to working together on this opportunity.

Earlier this year we completed a study on our preschool investments. It showed us that we had work to do to make preschool more accessible, affordable, and of higher quality.

The next step is to develop a specific program and financing plan to bring Preschool to all children in Seattle. This budget includes funding so that we can assess options for phasing in and funding universal preschool for 3 and 4 year olds. The study will be completed by spring 2014 and we can then move to implementation.

In this budget we are also proposing to invest nearly $500,000 into several early learning programs that lay the foundation for launching a citywide universal preschool system.

The City Office for Education is launching an Early Learning Academy to provide high quality, evidence-based early learning training for preschool providers in Seattle.

The Early Learning Academy provides professional development for preschool teachers and family caregivers child care providers to improve their effectiveness in preparing children for kindergarten.

We are working hard to set up and expand the Early Learning Academy, which targets the students and families who have the most immediate need for access to quality, affordable preschool.

Starting January 2014 as part of the Early Learning Academy, 40 Step Ahead teachers are being funded through the Families and Education Levy to receive extensive training and coaching in the High Scope early childhood curriculum and approach. Also, starting in January as part of the Early Learning Academy we are proposing to provide early learning curriculum training for 20 family child care providers. We will double the provider incentive bonuses to for teachers who complete the training and become certified.

We are working hard to set up and expand the Early Learning Academy, which targets the students and families who have the most immediate need for access to quality, affordable preschool.

Starting January 2014 as part of the Early Learning Academy, 40 Step Ahead teachers are being funded through the Families and Education Levy to receive extensive training and coaching in the High Scope early childhood curriculum and approach. We will double the incentive bonuses to complete the training.

We are also funding a preschool classroom for homeless children ages 3 to 5 years old, and increase training, support, and outreach for immigrant and refugee child care providers.

This year I am also proposing $156,000 to fund the Read and Rise pilot project for a total of two years.

Read and Rise will provide training for 150 families to give them the skills they need to support the language and literacy development of their children from pre-kindergarten through 3rd grade.

The Read and Rise pilot program will help narrow the achievement gap for children from families who have historically been underserved in the educational system.

These students often enter school without the language, cognitive and early literacy skills necessary for kindergarten readiness and 3rd grade reading success. Read and Rise aims to fix that.

We've made major strides in the last four years deepening the connection between city government, the School District, and the academic success of Seattle's children. I look forward to working with you to invest even more deeply in the success of our children, and the success of Seattle.

Transportation

Another critical need in our city is transportation.

We are at an historic time. In the second half of the 20th century we built interstate freeways to connect our cities, but they also played a role in emptying them out. The suburbs swelled, malls and suburban office campuses blossomed, and the future of downtowns, including Seattle's, looked bleak.

This city never gave up on its downtown. And the tide has now turned. Today, more people want to live in our cities than ever before. Big employers like Amazon and Brooks, and new startups are choosing to locate and expand in the city. And we're not the only downtown that's growing. People want to live differently.

In response, we have to change how we invest.

Our future depends on reinvesting in basic maintenance of our local streets, making them work efficiently for all users, and supporting the fast rising demand for walking, biking, and transit.

Here's a factoid. Ten years ago 43% of the trips to downtown in the peak hour were by people driving alone. Today its 34%. If it were still 43% we would have had to build 12 new lanes of roads through downtown, and ten square blocks of ten story high parking garages to accommodate all of those vehicles.

It's simple geometry that we have to change. But it's also good news if we do, because it helps with our health, our environmental sustainability, and in reducing the cost of living in Seattle.

Unfortunately, state and federal dollars have not yet caught on to this trend. Olympia is holding local transit and maintenance dollars hostage to their new highways. Now we'll keep working in cooperation with the county and other cities across the state to change that trend, but we will also continue working to invest our own dollars to address our needs.

This budget continues to increase investments in road paving and restoration. With the additions in this year's budget we will have increased our road maintenance spending by 37% since 2010.

We are adding $14 million for neighborhood transportation, including maintenance as well as coordinated transportation planning in several key corridors.

We are investing $5 million to manage traffic and to maintain signals. $4 million goes to Intelligent Transportation Systems that will help make it easier to get around our city center, especially with all the construction that is taking place. I am also proposing $921,000 to more proactively maintain and improve the City's signal systems, reducing the preventative maintenance cycle from once per year to once every six months for traffic signals. We will also fund signal replacement, traffic signal re-timing, and more.

Keeping children safe as they travel to and from school is also a priority. Last December, we began operating school zone speed cameras near four schools. Between December 2012 and April 2013 citations fell by 16 percent overall at those locations. It's making a difference, and so we will have speed cameras at 15 schools by the end of 2014.

We project that $14.8 million in revenue will collected through the City's school zone speed cameras over two years - and we all agree that revenue will be re-invested in safety improvements at schools across Seattle over the next two years.

This will include improvements like new sidewalks, improved street crossings, and traffic calming at almost 30 schools as well as expanded education and encouragement programs to increase safety for students.

Maintenance and reducing speeds near our schools are just some of the basics. We must also continue working to bring better transit, including rail, to our neighborhoods.

I am including an additional $3,200,000 in this budget to aggressively move Seattle closer to a world-class transit system. With this budget, we will now be moving forward in every corridor identified as a "high capacity transit corridor" in the Transit Master Plan. Thank you Council for unanimously adopting that plan. These four corridors - downtown to Ballard, South Lake Union to the U-District, the Center City Connector, and Madison Street - were identified in the Transit Master Plan because of the need for frequent and reliable transit, their high ridership potential, and the character of neighborhoods they serve.

This funding will be used to advance planning work for high capacity transit in each of these corridors. It also sets reserves in future budgets as we move from planning to implementation so that we can compete for federal grants.

We are also doing this work to be ready for Sound Transit 3. This fall, Sound Transit has begun an update to their Long Range Plan effort. The Long Range Plan update is one step in the process toward being ready to send a future regional transit package to the voters, as early as 2016.

For Seattle, there are three corridors being studied that could be included in a future funding package: Downtown to Ballard, Ballard to the University District and further east, and downtown to West Seattle and beyond. As stated above, the Ballard to Downtown study has been in full swing. Ballard-University District and Downtown to West Seattle corridors are being studied this fall, with Sound Transit beginning public outreach as well. This budget funds a temporary staff position to support and to review Sound Transit's ST 3 efforts from the City's perspective.

In order to support a future rail corridor from downtown to Ballard, a new crossing of the Ship Canal is necessary. The existing bridges carry a lot of traffic, and in our growing city, are increasingly becoming choke points. We have heard from the industrial community, chambers of commerce in that area, transit planners, and bicycle and pedestrian advocates that this crossing is important to their needs.

This budget includes $500,000 to study improved pedestrian, bicycle, and transit connections across the Lake Washington Ship Canal.

In addition to rail expansion and high capacity transit efforts, we're committing more resources to improving our transit corridors throughout Seattle.

In 2014 we will invest in speed and reliability improvements to RapidRide C and RapidRide D. We will also invest in improvements to speed and reliability for buses on Rainier and Jackson, on Greenwood Avenue North, from North 90th Street to North 105th Street, on Market Street and Northwest 45th Street Wheelchair Ramps, and in the Denny Way Electric Trolley Bus project.

That's a lot of transportation projects that we are undertaking here in Seattle. And now is the time to get this done. Previous generations chose to wait to make these investments in transit and road maintenance, and we are paying the price. We cannot afford to delay again if we want to meet our mobility needs.

It's also a great investment in our environment.

This city has been a leader on fighting global warming for years. And we're still leading. We have taken the lead in fighting coal trains and coal exports in Washington State, bringing over 75 elected and tribal leaders together in the Leadership Alliance Against Coal.

Seattle was also the first city in the country to begin the process of divesting from fossil fuel companies.

But that means we also have to be serious about changing our own practices. Transit, walking and biking is a big part of that. This year's budget also contains funding to meet the City's Million Gallon Challenge - reducing fuel usage in the city's fleet by a million gallons by 2020.

We're taking the lead in supporting green, sustainable buildings. This budget continues our commitment to energy efficiency audits and make cost-effective physical improvements to City buildings. We're also continuing to invest in energy benchmarking, working with owners of commercial and multifamily buildings to increase their energy efficiency.

I'm also pleased to announce that we will be able to help support Community Power Works once the federal stimulus grant concludes this year. More than 5,000 Seattle households have signed up for this energy efficiency retrofit program. Community Power Works will be managed by a non-profit, and we will continue to provide administrative and other forms of support to help build a new sustainable green building sector in Seattle.

We are also leading the way in other innovative practices to promote environmental sustainability. We have set a goal to manage 700 million gallons of runoff using green stormwater infrastructure, protecting our waterways and our ecological heritage.

As a city government, we can set high standards for ourselves and inspire others. We can make the environmental choice the easy choice, and continue to lead the fight against global warming.

Public Safety

We have also heard from the public that they want us to address public safety in their neighborhoods.

We've made progress in fighting crime - in fact we are near thirty year lows citywide for violent crime and property crime - but that is no solace to the victims of crime, and high profile violent crimes make all of us feel less safe.

Last year, after a rise in homicides and the questions raised by the DOJ, we began working with neighborhoods across the city to learn what we could to do help make their neighborhoods safer, and build relationships between our people and our police officers. This was our Safe Communities initiative outreach, and it brought together over 1,000 people in 101 meetings with their local police precinct officers.

Residents gave us 320 recommendations for improving public safety in their neighborhoods. One of the most common suggestions we heard was that people wanted to know their officers. So, using directed patrols, foot beats, and special emphasis patrols, we worked to get officers out of their cars, and into the community.

We have also added officers. The budget we passed last year called for 23 new police officers. In March we added 4 more. The budget I am proposing today adds 15 more. That's 42 more officers than were authorized in 2012 and the highest authorized staffing level ever.

Three of these officers will be dedicated to supporting Parks Rangers in downtown parks as well as Cal Anderson Park in Capitol Hill, and two recently hired Parks Rangers will become permanent.

But public safety isn't just about policing - it's about addressing the root causes of crime and disorder.

That's why I convened our Center City roundtable - to bring together residents, business owners, social service providers, advocates and multiple agency representatives to develop a new approach. Their message is that we need a balanced, compassionate and effective approach to helping those in need and improving enforcement of existing laws.

We're funding a number of their recommendations.

We know that the enforcement only model of the war on drugs doesn't work, particularly for substance abusers committing low level crimes.

In 2011 we began a pilot program in Belltown called LEAD - Law Enforcement Assisted Diversion, which diverts non-violent drug offenders to wrap-around services. This program is promising enough that we are expanding it to cover the rest of downtown. So we are making a $1.7 million investment to do just that.

We face other challenges. In a big city like ours, we can see the effects of deep cuts in the social safety net. Right now Washington state has fewer mental health beds per capita than any other state. Our officers deal with that reality on a daily basis.

We are increasing Crisis Intervention Team staffing to help police officers direct individuals with mental health needs to the appropriate services, rather than to our jails. This team is made up of specially trained officers, who when called to the scene by 911 officers, actively engage with the individuals to identify and address their needs. It also utilizes case management by mental health coordinators from Downtown Emergency Service Center. In 2014, I am doubling the number of mental health coordinator hours and adding more than 7,000 additional hours for team call outs.

I am also convening stakeholders to identify additional strategies for working with those in mental distress on our streets.

This holistic approach builds upon commitments we have previously made. Last year we expanded the Seattle Youth Violence Prevention Initiative to enroll more youth in this program that offers activities, mentoring, case management, employment services, and other targeted support to give our vulnerable youth a path toward a good future and away from violence.

And last year we launched Career Bridge to work with felons returning to our community, helping them get the education and job training that they need to get a good, stable job. In fact, two weeks ago I visited the state prison at Monroe to meet with individuals receiving help through Career Bridge. They are resolved to do better, but they are also fearful of the reception they will get upon release and what their future holds. We can make a difference for them, which makes a difference for our community.

We are also expanding support for victims of domestic violence. They are among the most vulnerable members of our community. We are committed to helping break the cycle of violence through access to housing and coordinated services.

This budget invests in expanding and maintaining supportive long-term housing assistance for domestic violence survivors and their children. This housing is critical to helping domestic violence survivors avoid falling into homelessness and instead getting the assistance they need to rebuild their lives.

We have also heard that better coordination of services, and bringing them to one location, can help survivors more quickly and safely get the help they need.

Last year the Human Services Department began planning for a domestic violence response center that would provide one place where victims can go to talk to an advocate, plan for their safety, interview with a police officer (if they choose to), meet with a prosecutor, receive medical assistance, receive information on resources, and obtain assistance with basic needs.

My budget funds the development of this domestic violence response center, which we intend to launch in 2014.

Human Services

Investing in human services is not just about addressing crime. It's about building a stronger city in which we include everyone in our prosperity, and meet the needs of all our residents.

This summer I visited many of our senior centers, which play an important role in supporting our aging population. The population of older adults in the Seattle area is

expected to double by 2025. Our nine senior centers already serve 14,000 residents and could use additional resources. So we will invest $210,000 to expand services at these senior centers.

I have mentioned before cuts at the state and federal levels. Seniors are subject to that as well. So we will spend $631,000 in 2014 to backfill state and federal cuts to programs helping senior citizens. With this funding we can protect critical programs such as senior meal services, case management, family caregiver support services and healthy aging programs.

We are working to make healthy food more affordable. Last year we launched a pilot program called Fresh Bucks which partners with local farmers markets to stretch the value of food assistance benefits so people in need can afford fresh, local, healthy produce. My budget includes $100,000 to sustain this program into 2014.

We also continue to deal with the reality of 2000 people sleeping on our streets each night. This budget adds $1.2 million for homeless services. We will invest in increased hours at day shelters and hygiene centers. We will open our Winter Response Shelters year-round, including our shelter here at City Hall. Additional shelter beds will provide safe places to sleep and a path toward stability for people who are homeless. And we will expand our car camping pilot.

We will backfill lost federal Community Development Block Grant funds that previously supported shelter services – primarily through the Downtown Emergency Services Center.

You know, we all see these cuts coming at us. It's hard to understand sometimes what's happening at other levels of government. Preserving tax breaks trumps taking care of people. It feels like the powerful lobbyists and campaign donors have a leg up on regular people.

Sometimes it can feel that way in Seattle too. While everyone cares about the city, we need to be careful that those with money, power and influence don't put their thumbs on the scale for their priorities.

Now every neighborhood is important. Downtown matters, it's the economic engine of the city. But there are a lot of other neighborhoods in addition to downtown. And I'm proud of the innovation and creativity of our big businesses. But there a lot of good ideas coming from all corners of Seattle.

I've worked to listen to those ideas - 150 town halls, walking tours, listening sessions, in all our neighborhoods and downtown, in all our business sectors. And I've worked to fund all our neighborhoods and all our needs.

Let's talk about funding. Even in the midst of a recession, we prioritized getting money to our neighborhoods. Our Families and Education Levy focuses on neighborhood

schools where the achievement gap is the widest. Our Libraries Levy has opened each branch on Sunday for the first time ever while expanding collections. Neighborhood that have taken growth deserve more transit - that's why we're pushing so hard on our Transit Master Plan. Our Safe Routes to school program is making unprecedented investments in crosswalks and sidewalks in neighborhoods that have been clamoring for safe walking routes. As former president of the Greenwood Community Council, I know about that.

We are about to begin the reconstruction of the Elliott Bay Seawall. But we are also conducting major infrastructure projects in our neighborhoods. We started with rebuilding Linden Avenue as a safe, complete street in a neighborhood with large numbers of seniors and low income residents.

We just celebrated the reopening of the rebuilt Rainier Beach Community Center. We made a major investment in the Rainier Beach community of $25 million during the depths of the recession. We took a neglected building in a neighborhood that was too often neglected by City Hall and directed our dollars to create a true center for the community. Where children can come and play, teens can find a place to belong, and adults can partner with each other to build a great neighborhood.

We will keep building on that trend. This budget contains funding for our 23rd Avenue corridor, which will improve the quality of neighborhood business districts and transit efficiency. The budget includes corridor planning across the city to prepare new investments for the next Bridging the Gap levy.

We are advancing the planning and implementation of equitable transit-oriented development that includes affordable housing. We recently completed our agreement with Sound Transit for development of affordable housing around the Capitol Hill station. Yesler Terrace is breaking ground.

We are also working with Sound Transit to help achieve development around light rail stations, to bring the chain link fences down and bring new investment and economic development to Rainier Valley and other station areas.

We will engage three to four communities per year in area planning and transit-oriented development implementation. In 2014, work will begin in the Uptown Urban Center, Lake City, and Ballard neighborhoods, as well as around the Northgate, Roosevelt, Mt. Baker and Othello light rail stations.

As part of our commitment to a robust clean up of the Duwamish River, we are creating a Duwamish River Opportunity Fund to help the communities next to the river.

My budget also takes steps to protect and prolong the life of three of Seattle's historic entertainment facilities. We will spend $455,000 to help address maintenance issues at the Moore Theater, the Egyptian Theater, and Washington Hall, preserving these

facilities as arts and cultural centers. Washington Hall is particularly meaningful in our Central area.

This city's strengths are its neighborhood business districts. Not a lot of national chains, but great stores, and great food, from our diverse cultures. We are supporting our local businesses through the Only in Seattle initiative, which this year provided a total of one million in funding to 19 of our neighborhood business districts. The merchants themselves decide how to spend the money to undertake projects to attract more customers.

It's like our Neighborhood Matching Fund projects, in which residents themselves identify the most important projects, and match the city investment with dollars and volunteer hours. This year we are adding $500,000 to the Neighborhood Matching Fund, returning it to 2009 levels.

Neighborhood projects can also improve public safety. The design of a street - where a planter is located, how much light a sidewalk receives - can make a big difference in reducing crime. Our budget includes funding to support projects through the Neighborhood Matching Fund that follow Crime Prevention Through Environmental Design principles.

What I love about the neighborhood matching fund and Only in Seattle is that they also strengthen the communities organizing ability. We're working on more ways to empower people, build community, and ensure that our city has many voices guiding its future.

Our budget will provide funding for a pilot project to develop a Civic Leadership Institute for refugee women. The goal of the institute is to better integrate Seattle's refugee communities into the City's civic, economic and cultural life. We'll empower women and encourage them to share their knowledge with others in their communities. This idea came out of our Safe Communities outreach.

We also have to work to redress historic inequity, and ensure that more people have a share, and a fair share, in the prosperity this city creates.

We know for example that unemployment hits our communities of color, and particularly our youth, harder than others. This budget will develop a Target Hire program to provide worker training and support to increase employment opportunities in construction work for individuals that historically face barriers to jobs in the construction industry.

We also are all aware of disparities in pay based on gender. Earlier this year, I directed the City Personnel Department to conduct a review of the City's salary structure and determine if a gender pay disparity existed among City of Seattle workers. This study revealed that men employed by the City of Seattle make approximately 9.5% more than women on average. This is unacceptable.

In response to this finding, we convened a Gender Equity in Pay Taskforce made up of community experts. Since August, the Task Force has begun to conduct an in-depth analysis and review of the City's salary data. Based on their work so far, they recommended that we:

Set aside funds now in the 2014 Proposed Budget to be used for implementation of taskforce recommendations. Once recommendations are developed, prioritized and approved, the City would be able to designate the funding appropriately.

Fund a position within the Seattle Office for Civil Rights to lead implementation of recommendations from the Gender Equity in Pay Task Force and to lead development and implementation of strategies for the Gender and Social Justice Initiative.

These recommendations are in this budget.

Next year we will also launch the Gender and Social Justice Initiative to expand the scope of this work beyond the City of Seattle to the broader community.

Early in this speech I spoke about the future of this city.

I think we all want to see a city which prospers. A city in which every individual has the real opportunity to pursue their dreams, and share in that prosperity, no matter their color or place of birth. A compassionate city. A city which is safe. And a city that points the way to a better environmental future for all of us.

I also stated what I believe are the big challenges: how do we address income inequality, live together as a multicultural city, face the threat of global warming.

There are policy choices that must be made. There are budget choices that must be made. This budget takes specific steps toward our vision of the future. But we have much more work to undo decades of underinvestment and historical discrimination.

To do that work, I believe we need to ensure that we include as many voices as possible in our decision-making. Council members, I know you believe that too, because I've sat with you at community budget hearings when we faced the toughest cuts.

Over the past four years I've worked hard to get out into all of our communities. Not just ask them to come to City Hall, but go to where they are, and bring department heads and staff with us.

We went to the community first with the youth and families initiative. With our safe communities outreach on public safety. With our road safety forums. With our jobs plan we've gone to our large and small employers. We have neighborhood planning in the communities taking growth.

And where we needed to, we hired people from our immigrant and refugee communities to conduct the outreach, in the language of the people we are trying to hear from, in the places where they gather.

Here is why we need to hear from many voices. Because it makes us stronger. If we want this city to honestly face the long term challenges ahead of us, we need to sit down and address the challenges that are right in front of people. That's how we give everyone the strength to work together.

There's something else that happens when you include new voices. Not everybody agrees. We're a diverse city, so we have diverse opinions. But more than that, we hear things that make us uncomfortable. Not just us elected officials. But all of us.

We hear about the persistent opportunity gap in our schools. The low wage worker wondering how to piece together enough hours to afford to pay rent, much less save for the future. The homeless person who doesn't feel he has a chance. The felon who just wants a second chance. A parent worrying about his kids safety. The generation coming up who wonders when will we wake up on global warming. We're the first generation to see the its effects right in front of us, and we're the last generation that can do anything about it.

It's our job to face those challenges. And I'm not just talking about us elected officials, it's Seattle's job. And facing those challenges can be uncomfortable. and difficult, and sometimes controversial.

But here's the thing. That's how we solve our problems - by raising them and dealing with them, not sweeping them under the rug.

Here's the other thing. If there is any city that can face those challenges it's this city. Not because of us elected officials, but because of you the people of Seattle. I've gotten to know you over the past few years. I've met with you in our community centers and on the street. Stood with you handing out food in food bank lines, met with our school kids. In church basements and conference rooms. And we have our everyday concerns. But the conversation almost always turns to the future. How about our kids? How about those in need? How about our environment. How do we grow, and not lose what we hold dear, but instead improve? And the people of this city ultimately believe we can make a difference. We're idealistic and always have been. We're audacious. Fifty years ago this city built the Space Needle and declared itself the City of the Future. And fifty years later we still believe we're the city of the future. And for fifty years we been building it, and we're not stopping.

This city has been setting the pace, even as the state and federal governments bog down. Look what we have done, and what we want to do. Doubled the families and ed levy. Paid sick leave. Local hire provisions. Record setting public contracting with women and minority businesses, tackling the gender pay gap. Ending the war on drugs and expanding treatment for those in distress. Responding to mass incarceration with

innovative reentry programs. Divesting from fossil fuels. Building the greenest buildings. Preschool for all kids. In each of these areas we want to lead.

We have much work to do. We need to keep building neighborhoods that are the envy of other cities - walkable and bike-able with great local businesses, parks and streets. With diverse housing for all income levels. And all of it connected by transit.

We must continue creating innovative new jobs, and fill those jobs with kids from our own schools working with their heads and their hands.

As we do that, one step at a time, we can rise to the challenges of income inequality and global warming. We rise to the challenge of building a multicultural city with dignity and opportunity for all. I believe this city has the courage to take on the toughest challenges. I believe that because of you. That the people of this city are determined to show the rest of the world how to build a city which is prosperous, fair to all, and a model of environmental sustainability. That's I am proud to be your mayor, and why I look forward to continue working with you to build the city we believe in.