

State of the City – 2007

Good afternoon, Thank You John and Thank you all for being here today.

It is a privilege for me to stand before you and report to you on the state of our City ...And there is much to report. While Hurricane Katrina has defined our work, it has not, and will not define us. It is inappropriate to spend all of our time today talking about Katrina. There already existed a list of needs to be addressed prior to August 29, 2005.

While Katrina is part of the story, I'd really like to spend our time talking about the major issues we are addressing and the things we have underway. I want to let you know up front that there are lots of things yet to fix...things that still need to be addressed but we're working on them.

It has been a year of expectations. Like you, we all hold high expectations for ourselves. From the beginning, Gulfport and her citizens showed the outside world we could roll up our sleeves and dig out. Our city with help from a lot of our friends has done an unbelievable job. We did not stand in the bottom of the well and complain. We climbed out! We climbed out one stretch at the time and have been grateful for the help we have been given.

While the days immediately following Katrina were most difficult, in many ways this past year has been more difficult. Like most of you, I didn't think things could get much harder, but the truth is – the storm is behind us and we are now dealing with the reality that post-Katrina decisions and solutions are very complicated. You know about unpaid insurance claims and difficulty even getting insurance, the shortage of affordable housing, labor shortages, skyrocketing costs of construction and bureaucracy. There is another complicated reality...we are traveling uncharted waters. No American community has had to face rebuilding after a catastrophe on the scale of Hurricane Katrina. We are now one of many cities facing rebuilding, each with her set of challenges. We are seeking solutions that have never been necessary before. Like many of you, we are coming face to face with the understanding that there are no quick fixes for most of our problems. Because this is the case, we must be diligent in planning our work so that issues can be addressed as we have solutions and resources to apply to needs.

Our recovery has not been perfect, nor has this past year. However, we are on our way. From the steps of city hall... from a drive down Second Street, from the State Port, from Gaston Point to Florence Gardens... to the 49 retail corridor, to our gathering in this place on this day, I can see the future of this great community and it has never been brighter.

I believe our future has never been brighter for reasons I'm going to share with you today. When I was elected your mayor, you asked me to apply energetic leadership, solid business experience and a love for this city to operating Gulfport effectively and efficiently.

I say we're on solid ground. We know you can't run a government entirely like a business, but we can apply business principles to government. We're doing that. While we may not be moving as quickly as we'd like, we know it is necessary to put first things first. It is my belief "you have to build a wall before you can paint it." I'm pleased to report the wall is underway and it is a solid wall indeed!

It would be impossible to look forward to a bright future if the city didn't have a solid management structure. We have one. This year we have worked to make sure of that. I am appreciative of the fact that Department Heads and our City Council have participated in MBO - Management by Objective training, a systematic and organized approach to management. MBO is designed to focus efforts on achievable goals and to attain the best possible results. This management structure is allowing us to increase performance by setting departmental goals, administrative goals, City Council goals and objectives throughout the organization. Together, these city leaders have worked to establish *18 strategic goals and over 50 annual goals*. The good news is – I'm not going to read you all of them. What I will say is that they are working.

This new structure allows us to have an inclusive administration. For example, department directors and I meet as a group every Tuesday morning. So, I know what they have on their plate and they know what I have on mine. This allows each department head to understand issues of other departments, so that we can get more work done, it allows departments to communicate better, to share ideas, purely to maximize our work product. This structure has established weekly one-on-one

meetings with members of our city council where we can sit down and discuss the challenges they face in their respective wards.

This management structure has also allowed me to work with the City Council to develop a shared vision for our city. This vision statement allows us to chart and visualize our course and make course corrections if needed.

Our Vision - Gulfport is a picturesque beachfront city on the Gulf of Mexico with a diverse culture and safe family-oriented neighborhoods supported by a progressive economy where everyone feels welcome and at home!

Usually in the business world a company would hire a facilitator to train its leadership in a program like MBO. In our case we were fortunate to have an organization like the Knight foundation, this great organization has provided two outstanding facilitators for us. Marvin Siflinger and Betsy Kourkonas.

Water, sewer, recreational services, roads, garbage collection, court services, police and fire services; -the core services we expect and deserve on a daily basis can flounder without proper structure. Our new management structure, MBO, is providing a roadmap to allow us to do the right things, at the right time, for the right reasons to sustain the core group of functions that make our city work.

Shortly after the storm, our engineering and public works directors met with me to determine where to place energy and resources, on infrastructure repairs or to continue with work under our pre-storm master plan. My direction was, do both!

This asked a great deal from those charged with getting the work done but I knew they could do it, we have managed to maintain pace on pre-storm commitments and organize, bid, and lobby funding for repairs and improvements to the storm damaged systems. (Kris Riemann Public works director of the year for entire U.S.)

Significant “core business” projects we have been working on include:

- The City has estimated its damages from Katrina to be in the neighborhood of \$155 million. All but about \$4 million of this amount will be absorbed either by FEMA or Insurance.
- Katrina Debris Removal, total contract value \$76,000,000
- FEMA trailer park security
- Sewer Master Plan Projects Completed or nearing completion, total contract value \$36,800,000
- Negotiations for Infrastructure Replacement South of CSX Railroad, total contract value \$50,000,000
- Requests for Proposals for the widening of “Dedeaux Road
- Lighting for Hwy 49 and 90
- While we have responded to 15,337 Service Requests in our Public Works Dept., we have also installed 60 miles of water and sewer lines as specified by our master plan for water and sewer projects
- I know we don’t want to talk about drinking water, but it matters to us when we don’t have it. Total gallons of potable drinking water pumped per day 10,283,423

- We adopted the 2003 International Building Code and FEMA's new ABFE's (Advisory Base Flood Elevations) in November.

We are working to improve our permitting and inspection operations. We understand this is a major issue for contractors and builders and we're working on it. My commitment is we must accomplish this sooner rather than later. Our new director of urban development Larry Jones has come in and taken the bull by the horns and is continuously looking for creative solutions while keeping the already overwhelmed but dedicated employees of the department working toward the goal of excellence. We know we are not there yet but we will get there; we also know the demand is greater than ever.

Quote "the best physician in the world with an increase from 500 to 5000 patients in a year would have problems meeting the demand. We'll continue to work on this area.

In 2005, the permitting office issued 20,034 permits. In 2006 we issued 22,294 and what makes that incredible, the value of those building permits in 2005 was \$122,236,000.00 and in 2006 it was \$413,095,000.00

In addition to permitting and inspection, we are also working to clear lots left in shambles after Katrina. We have notified property owners regarding 350 lots and have allowed contractors to clear some 250 lots. We have removed 43 damaged structures at city expense using private contractors.

I would like to make an appeal to all property owners on behalf of the common welfare. While we are doing all we can, we need your help. For those who still have storm damaged property or influence those who do, please take steps to clear that property immediately so we can continue moving forward. Ultimately it is not the city or the counties or the federal government's responsibility, it's time to get this cleanup finished.

On that note, you may be pleased to hear that we have been informed by the separate owners of Chateau De Le Mer, on the corner of Hwy 90 and Cowan Road, and the Racquet Club Apartments on Courthouse Road that both properties are to be demolished within the next 60 days.

Also included in the core business of the city is the municipal court. During my first weeks in office, a lawsuit was filed by the Southern Center for Human Rights against our Municipal Court. Before a complete remedy could be found, Katrina came and completely destroyed our municipal court facility. We had no Court Administrator when this happened. The dedicated staff came together and retrieved the records and tried to patch together a way to proceed. I placed a call to Dr. John Kelly. I asked him to come out of retirement and to take the position of administrator of the municipal court.

As I am about to outline, my faith in him was well placed. Upon ratification by the City Council, he immediately got down to the "Core Business" of the court. In this past year, our municipal court has been acknowledged as the highest volume court of any kind in the state of Mississippi.

John immediately began research into other successful courts in our country and working with the Judges, prosecutors and court officials left after Katrina. Together, they instituted the following:

- Amnesty Week – generated 31.63% more revenue that week as compared to an average week's collection.
- New Collection Manager – Payments have gone from a negative rate of 10% per month to a positive 10% growth. We also have more than a 50% monthly increase in non cash collection.
- New Filing System –that has been praised by court experts and called state of the art.
- Expanded Community Service Program – This Municipal Court program allows offenders with few or no resources the option of paying off their indebtedness to the City by working at a rate of \$6.50 per hour. From May 1, 2006 through December 31, 2006 this program has credited \$79,636.20 to debt owed by offenders to the City. This dollar amount equates to a total of 12,252 hours worked by offenders picking up litter around the City.

I am absolutely thrilled that the Sun Herald reported two weeks ago that the lawsuit against the city had been dropped and that we are no longer in jeopardy of hefty fines or a black eye on human rights. I am even more thrilled that system is on track and working for our citizens of Gulfport.

Core Business – Maximize Economic Development Opportunities

So, we have a clear mission and a defined vision. We have a great management structure, we are taking care of core business, and, the truth is –our economic future looks bright as well. Economic Indicators:

- Our sales tax revenue for fiscal year 2005 was \$18.1 million while for 2006 it was \$26.6 million, an increase of \$8.5 million or an astounding 47%!
“GULFPORT IS DEFINITELY OPEN FOR BUSINESS.”
- Retail Growth continues. All major intersections of I-10 are currently considered hot spots for real estate development.
- High quality residential subdivisions are coming on line as we speak.
- The city population has grown 10 % from 24,000 residential customers to 26,500.
- Industrial Seaway employers that pay an average of \$19.00 per hour are looking for employees and could hire as many as 1000 new individuals today.
- Over \$500 million private sector dollars have been invested in downtown this past year. We are beginning to see the renaissance that we have literally been working toward for the past 30 years.
- Major buildings, major community partners have celebrated the reopening of their buildings –The Hancock Bank Building, BanCorp South and MS Power Buildings, and a gorgeous tourist destination The Island View Casino. (I’ve said before that Gulfport won’t have the most casinos on the Coast, but we do want the best.

- Anyone who has been in the Island View Casino and Resort can see that vision coming true. I salute Rick Carter and Terry Green and look forward to welcoming Emeril and Alden LaGasse when they open their newest restaurant at the Island View this summer.)
- Small business is making strides. Waffle House, 15th Place, 27th Avenue Bistro....It meant a lot to Gulfport when Bill Vrazel and his family dug in, rebuilt and reopened before any of us had a chance to forget the ambience of that local landmark.
- To further accomplish our vision for our downtown corridor, The Mississippi Development Authority has invited the City and to complete a formal application for more than \$12 Million in downtown revitalization funds. This will translate into free architectural services and free exterior building improvements for downtown property owners. As well as major streetscape improvements.
- \$221 Million has been appropriated to build a new Armed Forces Retirement Home at the present location of the tower that will be torn down this summer.
- We have over 13 million federal dollars to kick off work on both Jones Park and the Small Craft Harbor. We are determined to create a tourist destination worthy of this great city as we develop a world class harbor and park, a fisherman's village, a venue for outdoor events such as the Fishing Rodeo and the Cruisin the Coast as well as an amphitheatre for concerts and cultural events.

- The 94 acres on the Gulf of Mexico that we have always known as the Gulfport V.A. Hospital will be deeded over to us with no restrictions this summer. \$35,919,000.00 was appropriated to clean it up before they hand us the keys. Senator Trent Lott and I had a conversation about this day before yesterday and he told me to tell you that Secretary of Veterans Affairs Jim Nicholson informed him that this was the largest conveyance in the entire history of the Veterans Administration. This is the largest gift ever received by the city of Gulfport and is clearly going to be a major economic driver.
- In September, the City adopted its fiscal year ending 2007 budget of \$250 million. The largest budget in the city's history.

That was just a partial list reduced for the sake of time, but, there is still much work ahead. We recognize that much of our current activity is encouraged by rebuilding efforts. If we are to acknowledge concerns with the uncertainties of insurance, building costs, and affordable housing needs, we must put into place longer term strategies. What are we going to do 2 years from now or 5 years from now?

Taking a step to prepare for the future, the City Council wisely established a position for an Economic Development Director and we are actively seeking the right candidate. With us today is the economic development team from San Bernadino County, California. San Bernadino County brought Gulfport such incredible help after the storm, they literally set many of our city employees back on their feet. In addition to being incredibly generous, San Bernadino is the largest county in America, with cities that have the highest per capita income in the state of California.

Their economic development team is here at no charge to help us set up our Economic Development Department, so that we can be ready when we announce the new director of that department.

Please help me in welcoming these generous and talented friends to our city. There is no doubt they are among the best of the best and we appreciate them for being here.

When on the phone with these folks two weeks ago I was bragging on our state, I said to them they might have Arnold but we have Haley, They replied that their Governor could beat up our Governor...I replied, not in the halls of Congress.

Ultimately our sustained economic strength depends on the decisions we make and the ground work we lay now. Our biggest challenge in economic development is our next step. I have every confidence in working with the city council that the city can have a land use plan to help define the right next steps. – Condos where we need them and good looking architecture with the correct height and density to create value. We also want homes where communities are protected. As in the vision statement – picturesque. You can't do that if you allow anything goes. So what we are committed to is living up to the vision. We should not allow Gulfport's beachfront to be nothing but Condo's from one end of the city limits to the other or poorly planned apartments crammed into every corner of Orange Grove.

Quality of Life.

Everything is a circle. To have a vibrant economy, you must have an able, educated workforce. People want to live where there is adequate recreation, good schools, green space, quality medical care and a safe and secure environment, quality of life. To have quality of life, you must have a good economy. So, as we make the most of our current economic strength, laying the ground work for the future we must ensure our Quality of Life.

We all want a community where we can allow our children to go outside and play. It is on that basis that we have determined to turn our attention to the city and neighborhood parks, and ball fields. We are working to better distribute community centers throughout our city as we seek to enhance and expand these facilities. We want places where children and youth can play and enjoy their youth while providing all neighborhoods gathering places for those special times in life. We are well underway. Currently being reviewed by architects are enhancements to various recreational facilities these facilities include:

- Gaston Point \$275,000
- Willie Locke \$120,000
- Artimeese Tuggle \$50,000
- Orange Grove Community Center \$250,000
- Bayou View Baseball Complex – 250,000
- We must turn our attention to the Orange Grove area to create community centers and parks and municipal operations in the northern part of the city and we have appropriated \$450,000.00 to go toward that effort.

Sports venues and community centers are to be rebuilt, and upgraded thanks to careful management of FEMA and Insurance proceeds. We are also keenly aware of the value of partnering with the community at large. Public/private partnerships are vastly speeding up in rebuilding our destroyed parks. For example:

- Through the cooperative efforts of city and community volunteers, Kaboom and Home Depot the Owen Palmer Park on 2nd Street has been restored. More than 430 volunteers showed on August 29th and did an amazing job of restoring that park and making it operational
- The Bayou View Park Project represents another community based project with support coming from volunteer groups, the Bayou View Garden Club and the Gulfport Junior Auxiliary. This project began preliminary work in November with the majority of the project beginning in late December/early January. Playground equipment is scheduled for delivery. (Planning committee would like me to mention a Grand Reveal date of Saturday March 24)
- West Side Park is slated to reopen late spring. – Keep America Beautiful is partnering with the city to implement phase one of the landscaping plan donated to the city by the Arizona State University. Planners are targeting a March event and new play equipment is on order.

In Gulfport Mississippi, marine recreation is also a major component of our quality of life, so I want you to know that on-going work includes:

- 8 near shore fishing reefs to be created within safe wading distance of the beach to be made from recycled concrete from demolished buildings.

- Courthouse Road Pier jetty and pier work is currently underway. It is scheduled for a mid-April completion and is on target.
- Westside, Urie and Moses Piers reconstruction projects are also underway and scheduled for a spring completions.
- Work on both Jones Park and the Small Craft Harbor is scheduled to begin early this summer. By the way here is the permit from the Department of Marine Resources for the harbor construction, we received it last Friday.

While we must provide places for recreation and relaxation, it is necessary to provide a safe and secure environment where people feel free to enjoy what is available to them. Safety is a critical issue to quality of life. I believe and the Gulfport PD believes that any crime in Gulfport is too much crime in Gulfport. As all of you are aware, we had a spike of violent murders and other violent crimes in the fourth quarter of last year and it left us all feeling more vulnerable than ever before.

Our hearts have been broken for the communities and families that have been touched by violent offenders. My own family is no exception, as we mourn the loss of a dear lady named Delphia Fitts who worked for our family for 15 years and was killed in her home by a drug addicted criminal two days before Thanksgiving.

I have every confidence there is no group better and more determined to stop violent criminals than Alan Weatherford and his dedicated officers. They are doing the job we pay them to do and more. The best evidence is the truth, amazing and unusual...in every case involving the homicides of last fall, arrests have been made and suspects of those terrible crimes are in custody. **ALL OF THEM!**

Most violent crimes are related to drugs. So it follows that you cannot sustain a reduction of crime unless you reduce drugs. I believe, “when you are aiming a target you aim at the center, the dead on center of the bull’s eye. You do not aim for any of the outer rings expecting to have done your best...to do your best you aim for the highest goal. You aim for No Drugs in the City of Gulfport.” We have a Chief of Police that believes the same.

- To support the controlled substance laws, the Gulfport Narcotics Division began operating as a stand alone division in October 2005. During the three months of September, October and November of 2006, The Narcotics division has successfully conducted three operations and made arrests centering on the street level dealer, and their sources of supply. This includes the police action that was reported in the Dedeaux Road FEMA Park. Statistics on arrests and seizures reported to me are impressive and have directly impacted drug use and distribution in Gulfport..
- To further support safety and quality of life the Gulfport PD has instituted a number of important programs including the new “Partner’s with Police” program that has put the Chief and his staff in neighborhood meetings over 40 times this past year.
- The “Turn it Down or Pay Up” campaign has brought the Gulfport Police Department national recognition for addressing a quality of life issue that everyone faces. Peace disturbing, window rattling, loud music coming from cars on the road is no longer tolerated.

- Educating our school children about the effects of drugs, alcohol, use of weapons and gang involvement in an effort to reduce youth related violence remains completely vital. There is a visible police presence in our schools, making the police accessible to our youth.

The GPD is aggressively tracking and investigating tips and reports of drug activity and I again affirm our commitment to eliminating drug activity in our city. Anyone interested in buying, selling or manufacturing illegal drugs in Gulfport better find another place to live for you are not welcome in our city.

Our quality of life and safety has also been ably guarded by the Gulfport Fire Department. Our firemen have been very busy this year, responding to more than 10,200 calls for assistance. We fought some 807 fires and responded to more than seven thousand emergency medical calls. As we aim high for quality of life, we increased the fire department's budget by 1.5 million dollars. With increased funding the department will address staffing needs by hiring 12 new recruits to fill vacant positions, acquiring two state-of-the-art front-line fire trucks and a new rescue truck.

The future is bright because we have good people working together for it. Some of them are local and some are not. No one stands alone, but we are all standing together and accomplishing amazing things. Because of our Federal, State and Local elected leadership and the thousands of community volunteers who have joined the efforts of our skilled city employees; this city is in good shape.

Our city owes a debt of gratitude for assistance given. On behalf of the City of Gulfport I thank President Bush for his numerous visits and support, and our United States Congress and Senate for the vital funding that we have needed. Particularly, I would like to thank our incomparable Senators Thad Cochran and Trent Lott and Congressmen Gene Taylor and Chip Pickering.

Our state government is also owed humble and genuine thanks. Governor Haley Barbour and his tireless staff, our State Legislators, and our State Senators have offered financial help and are continuing to work on our behalf.

We have met the Good Samaritan in elected leaders not directly responsible to our City, but with hearts to assist us in any way they can. The list is long and I couldn't begin to name them all, but their deeds are recorded in our hearts.

I would like to express our cities thanks to the Faith Based groups that have come and still remain in our city. House by house, they are repairing broken lives. They are making homes livable, enjoyable and indeed affordable, since they are helping those in need at little or no cost to home owners. Again, I cannot possibly mention every group, but I would like to speak about Trinity Methodist, B'nai Brith and the North Carolina Baptist Men.

- After the storm, Trinity United Methodist Church opened its doors and immediately began feeding any and every body including the recovery volunteers from all over the country. Week by week, these volunteers continue to arrive in Gulfport to help our residents. To date those volunteers have

repaired and rebuilt 550 homes in our city and are booked until May with volunteers traveling to our city.

- B'nai Brith has contributed to Gulfport \$100,000.00 to fund a housing production specialist.
- The North Carolina Baptist Men's 2 year commitment to Gulfport is halfway thru. They have blessed our lives and lifted our spirits with their commitment to rebuild 700 homes in Gulfport.

Local volunteers have been tremendous. For everyone person I recognize here today, the city is grateful to hundreds more dedicated citizens, who unselfishly donate their time, money and talents to improving our community. People who have only asked, how can I help? I would like to say thank you to a very important group of community partners. The CBs, Army and Air Force have supported this city for years. They have provided much appreciated man power for our park projects and many other municipal projects.

We have good leadership in the Gulfport City Council. These are good people that love this city. They are passionate for its welfare. Although we may not always agree, I assure you we share the same vision.

- Ward 1 Gary Holliman
- Ward 2 Libby Milner-Roland
- Ward 3 Ella Holmes Hines
- Ward 4 Jackie Smith
- Ward 5 Brian Carriere

- Ward 6 Neil Resh
- Ward 7 Barbara Nalley

I would like to introduce the heads of our city departments. They have come to you to know the issues. You have met them in over 50 neighborhood meetings held throughout the city this year. You have worked with them in committees dedicated to improving our city parks, harbor, downtown, community centers, playgrounds and schools. You have depended on them for the health and safety in the water we drink, to the roads we drive on, the safety of our schools and the care of our elderly. You have seen them in council meetings providing information to the council.

I've used the analogy that rebuilding this city is like driving a huge truck down the highway 100 miles an hour and working on it at the same time. It is simply a reality of these times. It is reassuring to know that these are the mechanics holding it together.

Harry Hewes

John Kelly

Kris Riemann - Public Director of the Year

Bill Powell

Edmond Salloum

Alan Weatherford

Pat Sullivan

Mike Necaie

Larry Jones

During the last two years I have spent a great deal of time saying that together we can build a better Gulfport and that if we imagine what we can do together if we can visualize it if we can really see it then we can accomplish what we all want, a better quality of life, a place where our children and our businesses can prosper and where we can send our children and grandchildren out to play and feel that they will be safe.

Along with our city council, we have created a vision and mission statement. This is important because we must be able to visualize our goal. We must be able to see clearly the direction we have chosen in order to take the straightest path to success.

As a youth my grandfather taught me to plow a field the way he did it on his farm, the hard way. No tractor, no machine, but behind one huge black horse named Dolly. The important part was he said to hold on tight, apply even pressure, don't try to force it, and look ahead. Not just look ahead but pick a point on the other side of the field, a tree or a post, line it up directly ahead of you and never take your eye off, don't look down and when you get to the end of that row, you will have been successful. I learned very quickly that there had to be easier ways to make a living and if I could find one with a better view that that would be a very good thing.

The view is definitely better here in Gulfport. I've learned that the same applies to a great many things here as well, sailing in our gulf, recovering from a terrible storm. we hope that you agree with us that these goals are in keeping with the best elements of a better Gulfport, a place that you would be proud to call home.

We have a bright future. We have a vision, a solid management structure, we're improving our core function, we're laying groundwork for economic development, we're improving quality of life and we have a group of committed people who show up every day and make the right things happen.

There is an old saying that "he who stops getting better stops being good." I need your help so we may get better. To ensure that those who come tomorrow, next month, next year or next century will say of our great city...it is good.

May God bless all of you and this great city as we continue to work together to rebuild our lives.