

Mayor David Condon's Statement of Conditions and Affairs

Monday, October 12, 2015 at 6 pm
City Council Chambers

Good evening Council President and members of the City Council.

And, to those in attendance at City Hall and who are joining us at home this evening, welcome and thank you for your time and interest in your city government.

Much of my job as mayor is spent talking with you and others in the community who want to see a safer, stronger and smarter Spokane.

You express a desire for continued emphasis on driving down crime, an interest in an alternative to sending the big red fire truck to minor medical calls and a directive to continue improving Spokane streets.

We also talk about jobs and economic growth and the city's role in helping drive both.

You tell me how much you love where Spokane is going, how important it is to maintain the momentum and that you appreciate periodic updates on our progress.

Tonight is one of those nights we report back to you and the rest of the community about the work we are doing to make Spokane the safest city of our size, the fastest growing job market in the Inland Northwest and an innovative leader in cost-effective service delivery.

According to the Spokane City Charter, Article IV, Section 24, I hereby fulfill my duty as mayor to annually, at the second meeting of the City Council in October, communicate a statement of the conditions and affairs of the city.



This year, to give the community a more complete picture of the city's financial obligations – both operating and capital – we published our program budget and the six-year capital plan together.

We are currently taking comment on both and just received the City Council's feedback last week.

That extra engagement will help us work with the City Council to deliver the most refined 2016 line-item budget possible.

We have spent a considerable amount of time aligning resources to priorities and making the cost of government more affordable and accountable to the community we serve.

The progress has been tremendous, meeting or exceeding everything we have set out to do so far on your behalf, and has established the groundwork for all that is left to do.

Tonight I report to you this: recent economic activity is improving confidence in our local economy, and the city's long-term outlook is encouraging.

A couple of recent data points reaffirm our disciplined approach of sustainable revenue projections, close management of expenses and pursuit of new investment in Spokane.

Median household income rose 11% in the city during 2014, which is double the growth rate experienced by the rest of Spokane County.

At \$43,694, median household income is at its highest level in at least 10 years, but still modest.

Spokane has seen \$1 billion in new investment over the past two-plus years, which is no doubt helping to push the income number in the right direction.



Total building permit activity is up 4% this year and construction of new single-family residences is up 66%.

Sales tax revenue is up 5.5% over the past 12 months, though our 10- and 20-year averages, which we used in 2016 revenue forecasts, remain at 2.5%.

These are important measures of economic vitality that signal a renewed confidence in the city.

That willingness to invest in the community and its people is putting more money into the pockets of those who live in Spokane and helping them to invest in themselves and their families.

At the same time, in partnership with the City Council, we have made the commitment as a city government to live within our means.

That commitment has halted double-digit increases in water rates; returned money to our low-volume water users; and significantly stretched existing investments to deliver sustainable street improvements over the next 20 years, make the first major investment in Riverfront Park in 40 years and get to a cleaner river faster – and for \$150 million less.

We have also worked with the City Council to create a public safety investment plan that meets the ongoing needs for vehicles and equipment and keeps staffing levels healthy and stable.

Those critical public safety investments are part of a commitment to continue to drive down crime and send the fire and emergency medical units that are best equipped to deal with the immediate need.

Both efforts are making Spokane safer.



Crime is down 12% citywide this year as we enter the fourth quarter, a continuation of the 12% reduction the city experienced last year.

Property crime, still a nagging problem in Spokane, is also down 12%, including a nearly 28% drop in vehicle theft.

Data-driven deployment of resources, increased visibility, more officers on the street and the efforts of those men and women to more proactively engage with the neighborhoods they serve is delivering those results.

Public confidence in the Spokane Police Division has also steadily risen over the past four years.

On the fire and emergency medical side, we are better meeting the needs of those who call for help.

More and more, those calls are for medical assistance.

Medical and other public assistance calls account for approximately 87% of the fire department's more than 35,000 annual calls for service.

Alternative Response Units, which have become a national model for handling non-life-threatening calls, are back in the field for a continuation of the pilot program that has been extended through 2016.

Non-life-threatening calls have been the fastest growing part of the fire department's calls for service over the past five years, growing more than 10% last year alone and nearly 9% so far this year.

ARUs have been dispatched to nearly 7,000 calls during the pilot program leaving larger apparatus available to respond to more serious emergencies each time.



Implementation of the ARU pilot is just one of many completed recommendations of the Fire Service Task Team, which included community, service provider, elected, staff and labor representatives.

Another pilot program that integrates supportive services through the CARES, Hot Spotters, and other community programs to improve the quality of life for vulnerable individuals saves more than \$60,000 annually per person.

Reductions in unnecessary 911 calls and emergency room visits generate those savings.

A new fire station to provide better fire and emergency medical service to southwest Spokane will open in the next several weeks.

Firefighting capability has been returned to Station 9 and the first half-dozen fire trucks have been ordered to update an aging fleet.

Each of those is a Fire Service Task Team recommendation.

Additionally, a federal grant is adding a dozen new firefighters citywide.

Street work, an integrated clean water plan and job growth incentives are making Spokane stronger.

Next year, we will nearly double the money spent on improving city streets as part of the voter-approved street levy.

Projects that are getting us to a cleaner river faster and more affordably will more than double next year.

And, because that work has been integrated to consider street, utility and park needs, it will deliver additional street, trail and open space improvements.



We are also working hard to capitalize on the new construction momentum within the city by being smarter about the way we do things for the customers and community we serve.

Permitting times are at 32 days, according to our most recent performance measures.

Greater access to online permitting has been added to make it more convenient to do business with the city.

In another partnership with the City Council, we launched an Economic Investment Program that establishes the same certainty and predictability that our enhanced permitting process has done for those who are investing in our city.

Growing commercial investment generates new revenue in the form of sales tax, property tax and utility rates, which eases the burden on households and helps us deliver services more affordably.

Additional revenues can also be used to replenish reserve accounts that were depleted during the lean years and leverage grant dollars for better, more extensive outcomes.

Keeping the cost of government more affordable is also why we committed to holding budget growth to the cost of inflation.

Finding ways to do things smarter allows us to better deliver services and manage community resources more effectively.

Take for example Homes for Spokane's Heroes, which had a goal of housing 150 homeless veteran individuals and families.



The partnerships we formed with community service providers expanded resources to the point that through the end of September we have placed 177 veterans and their families in homes with a quarter of the year to go.

Smarter management of our grant process has been another important focus this year and has produced great strides.

Just last month, Spokane became one of only four cities to receive the Washington State Auditor Stewardship Award.

The honor recognized the Community, Housing and Human Services and Grants Management departments' handling of \$13 million in annual grant funding for services that help people most in need.

These are just several examples of how your city government is becoming more affordable, accountable to the outcomes you expect and aligned to your needs and priorities.

We remain committed to working together as a community to make Spokane the City of Choice.

I often tell people that the best outcomes are driven by the best engagements.

That is certainly true of the accomplishments we have made with the community's assistance.

We asked – and will continue to ask, you told us and we will continue to deliver.

Thank you for your time tonight and we look forward to continuing the conversation.

