

The Honorable Thomas M. Menino
Annual Report to the Boston Municipal Research Bureau
March 7, 2008

Prepared for delivery

Thank you, Doug. Thank you, Sam, for all that you and the Bureau do on behalf of the people of Boston. We don't always agree, Sam, but your objective analysis is highly valued.

This year, the Bureau's support of classification changes helped us reduce property taxes for Boston property owners. This week, we won our case at the Appellate Tax Board, which will allow us to cut taxes even further. That board has done what the legislature refused to do – close the telecom loophole. This means \$7.5 million in new revenue for our city. Now, I will fulfill my promise to property owners to use this revenue to reduce their taxes again. I have championed this revenue diversification tool for years.

That same determined approach will allow us to reach an equitable agreement with the Firefighters Union. The City and the Firefighters Union are currently before the Joint Labor Management Committee. Let me tell you something folks: to restore public confidence in the Fire Department, we need reforms to sick leave and pension abuse. These are just as important as random alcohol and drug testing.

But it's hard to achieve a contract when the union won't offer a counter proposal. It's not enough to just say no. It's been 20 months without an agreement. Yesterday, the firefighters stormed out of mediation. Can anyone doubt it's time to go to arbitration?

Solving difficult issues like these is part of the daily challenges of leading our city. At the same time, I remain focused on the big picture, and that's what I want to talk to you about today.

I believe Boston can be the most inviting, empowering and captivating city in the world. At this moment, we have a unique opportunity to realize this vision. Before I tell you about these opportunities, let me talk about why this vision is so important.

Boston is moving forward in every way. Since 2000, our city has seen 31 million square feet of development. Although the credit crunch may be slowing the national economy, Boston is still driving ahead.

Our development pipeline contains \$12 billion of investment, including unprecedented institutional growth. In fact, over 60 projects are under construction right now in our city, totaling 14 million square feet.

We have become an exciting home for innovation, international conventions, big-time sporting events, and movie shoots.

Indeed, Boston is growing like never before. That's why we must balance a big picture outlook that sets our vision with an attention to detail that achieves it.

In the next 20 years, I see Boston's diverse population growing by 50,000 people, with more families raising their children here. We will be the greenest and most sustainable city in the country, and our innovation economy will create tens of thousands of new jobs. I picture a city that expands its green space and embraces its waterfronts. I see a city that preserves its character while welcoming new growth.

Today, I am going to describe how pursuing new opportunities in five areas of our city can achieve this vision I have just outlined. Some will say that these goals are too difficult to accomplish, but strong leadership requires taking on the tough challenges and providing a comprehensive plan to push forward.

Without a blueprint that beckons Boston to be even better, it's easy to succumb to simple solutions that are unbecoming of a city as great as ours.

For evidence of this one-dimensional approach, we have to look no further than the development of Storrow Drive in the 1950s. While it did a good job at moving cars, it failed to preserve clear access to the Esplanade.

Now, the state is examining its options to fix the Storrow Drive Tunnel. While the discussion to this point has focused on which plan causes the least inconvenience, I am calling for everyone to take a big picture view – to see past the problems and see the full possibilities.

We can create a seamless connection of green space from the Public Garden to the Esplanade while improving transportation. Think about this for a minute: we can reopen the riverfront to residents, connect the Charles River and the Public Garden, and create more green space in the heart of our downtown neighborhoods.

I know this is ambitious, but Boston has a track record of working together to achieve big goals.

I ask you to remember Scheme Z and the debate in the '90s over how we would extend I-93 across the Charles River. We challenged ourselves to think about more than a transportation need. We saw a chance to make a bold statement about Boston's future, and we produced the breathtaking Zakim Bunker Hill Bridge.

Working with the State, we will apply the same commitment and creativity to capture this opportunity on Storrow Drive.

Just up the river, I see the potential to create a new life science cluster in Allston that spurs job growth, strengthens our global bio tech presence, and creates new opportunities for Allston-Brighton.

Nowhere else in our city can you find all of these assets together: a growing neighborhood with room to expand, a bio tech giant like Genzyme, universities like Harvard and BU, and the Charles River. We must capture this opportunity to create a community known for its innovation, but defined by its neighborhood feel.

Our goal is not another industrial park like Kendall Square, but a neighborhood more like Harvard Square – a center of city life bustling with activity and commerce. Right now, this area is crisscrossed by railroad tracks and turnpike ramps, which will require massive repair work in the next decade. Those repairs give us a greater chance to reconfigure this infrastructure, opening up this area so that Harvard, BU and the Allston neighborhood can all grow together towards the riverfront.

With our permitting powers, we can make this neighborhood a community that surrounds a new life science cluster, not a life science cluster without any community.

A strong sense of community has always been present in Dudley Square. For years, the City has been working with residents to advance a long-term vision in this neighborhood. Just look at our investments in Palladio Hall, Hibernian Hall, the Dartmouth Hotel, and the Palmer building.

Now, we are moving forward on the centerpiece of our revitalization efforts – the Ferdinand Building. We completed site acquisition and now we are ready to take the next step in the redevelopment of this important asset.

Today, I am proud to report that demolition is underway while we preserve the historic façade of the building. We are preparing to construct a 200,000 square foot state-of-the-art, green building.

It will contain retail and public uses on the lower levels with hundreds of city employees working out of flexible, high-tech offices on the floors above. It will be a building that will work for government, work for the public and allow for a meaningful interaction between the two.

All of this activity will be a boon to Dudley's small businesses. In fact, the City's investment in the Ferdinand Building will inspire, invigorate and improve our work in the heart of this neighborhood that lies in the heart of our city.

City investment will also be key to strengthening the Newmarket Business District. This district is located just off I-93 and Melnea Cass Boulevard and includes the Flower Market, Food Market, and Boston Market. I value their contributions to our city, and I have a plan to help them thrive in the 21st century.

Newmarket businesses are to restaurants, hospitals, and hotels what door-knockers and phone callers are to campaigns. Their work is not flashy, but it's fundamental to achieving success. These wholesalers and industrial businesses are the backbone of so many of our largest sectors, and they provide a healthy mix of job opportunities at a range of skill levels for neighborhood residents. I am determined to support these businesses that do so much to support our city.

The first step of our sustained commitment to Newmarket will be an infusion of services. Working with Newmarket businesses, we will make the area cleaner and upgrade basic infrastructure by repairing sidewalks and improving lighting. To alleviate traffic problems, I will expand off-street parking for employees and work with the MBTA to improve public transit. We will also take a long-term look at city-owned parcels in the area that can provide these businesses with space to grow.

Together, these investments will ensure a healthy Newmarket – one that remains an enduring source of jobs and support for our economy.

Investments, both public and private, have produced great accomplishments on the South Boston waterfront. We have seen the rise of a record-setting Convention Center, a gleaming federal courthouse, a beautiful new home for the ICA, and Boston's greenest office

building, the new John Hancock. Construction is underway at Fan Pier, and we're moving ahead with our plans to bring City Hall to Drydock 4.

I know I talk about these achievements all the time. It's because I'm proud of all this investment. But I believe we must diversify the mix of uses to create real vitality.

Today, the waterfront I want to focus on is the one downtown.

Tremendous public investment has ushered in a new era along Boston Harbor, creating new opportunities and new challenges that must be addressed. The completion of the Central Artery Project, the cleanup of the Harbor, and the emergence of the Rose Kennedy Greenway have added great appeal to the downtown waterfront.

I am determined to protect the value of these public investments. The public interest – not the private market – should guide development around them.

That's why I am directing the BRA to conduct a comprehensive zoning review of the Greenway, setting appropriate guidelines for height and density, transportation and sunlight. We will make sure future development dignifies the Greenway, but does not dominate it.

The City will continue to strongly encourage growth downtown, including significant density, where it is appropriate. There is great potential for development near North Station, South Station and Government Center, and I am determined to drive it forward.

However, we must remember it's the history and human scale of our waterfront and downtown that excite people to build here. We have spent a lot of money to take the cars out of this corridor. I will not allow development to take the sun out as well.

I have sketched an expansive vision of what Boston can be and how we can guide our unprecedented growth to achieve it. I spoke about big ideas such as working with the State, BU and Harvard on plans along the Charles River. I have talked about new guidelines for the Greenway, a new public building in Dudley Square, a new City Hall on the waterfront and increased investment in Newmarket.

While the results of this bold agenda may not be seen instantly, the planning will begin immediately. BRA Director John Palmieri, new Chief Planner, Kairos Shen, and our new Director of Neighborhood Development, Evelyn Friedman, will lead the charge to achieve this agenda. They will present their action plan to me by Labor Day.

Boston has so much going for it, and together we have accomplished a great deal. We must capture the opportunities that will improve Boston's physical, economic and social landscape for the next century. We all know that Boston is a great city, but join me in envisioning a Boston that is even greater.

To achieve this vision, we must pair our competitive assets with a bold and creative mindset that settles for nothing but the best. That's what you and your businesses deserve, and that's what the residents of Boston deserve – a steadfast commitment to be the best city in the world.

Thank you. Now, let's get back to work.