

The Honorable Mayor Thomas M. Menino  
Remarks to the Greater Boston Chamber of Commerce  
December 12, 2006

*Prepared for Delivery*

Good morning to all of you, and thank you for joining me to talk about how we can shape Boston's future.

This is an exciting time. Boston is more vibrant than ever, and the city's future is full of possibilities. Boston's economy is strong, and the city is growing in every sense.

When the Census Bureau said we lost population, I knew they were wrong. We're gaining residents. All you have to do is look around – the new shops, the housing we've built, the upbeat business climate. So my office assembled the facts, and the Census Bureau changed their tune. Now they acknowledge that Boston gained more than 37,000 residents since the year 2000.

Not only has our population grown – Boston is growing economically and physically as well. Look at our office market. Today it has more square footage than ever, and still vacancy rates are the lowest in nearly 5 years.

We are creating new space across all types of uses to meet the demands of our growing economy. Our development pipeline contains 12 ½ billion dollars of investment – about 47 million square feet of building space.

So, yes, Boston is growing in many good ways. But growth by itself is not the goal. Not for a city as great as Boston. Our goal must be growth that continues, that is sustainable, that benefits everyone.

To do this, all of us must address the factors that sustain growth and

competitiveness. I say "all of us" because Boston is the platform on which your companies stand. We must work together to reinforce this platform.

For me, that challenge begins with changing City government, to become smarter and more pro-active.

I told you last year that I would bring new leaders into my administration. I told you that I was determined that my administration would become more open than ever before to innovative ideas and new pools of talent. You may recall that some people doubted me on this.

Today, I have a new Chief of Staff, Police Commissioner, and Fire Commissioner. I have a new Chief of Public Works & Transportation and Chief Information Officer. I have a new Corporation Counsel, Press Secretary, and School Superintendent. Half of my cabinet is new blood. Let me tell you, it feels great! These folks are experienced and creative.

Together with the longstanding talented members of my staff, we are re-energizing City government to capture Boston's full potential and create a future that overflows with opportunity.

To achieve that future, we need a revolution in the way people think. That is the only way to make today's growth last for decades to come.

Already, we have achieved many successes, the public and private sectors working together. We know that strategic public investments can spur private investments.

Look at the investment my administration has made in addressing the regional housing shortage. We used every tool we had, from public land to public funds, because economic growth cannot be sustained without increasing housing supply.

We all know that. There's an op-ed on this once a week.

Boston has tackled this challenge on a scale that nobody else even approached, and we have achieved remarkable results. Since the year 2000, the City of Boston has permitted 17,000 new units of housing. That's like adding another neighborhood the size of Jamaica Plain. And 4600 of those units are designated affordable.

That's the kind of success that public investment can bring about, but that's just one example.

Look at the milestones of growth on the South Boston Waterfront, where we invested so heavily in planning and infrastructure. Look at the new Institute of Contemporary Art. That building is magnificent – five thousand people showed up on Sunday! My Administration designated the land to that project because we saw then what everybody sees now. That it would become a powerful symbol of contemporary Boston – a statement of the city's rich diversity and its long tradition of innovation and creativity. And that it would totally change people's perceptions of our waterfront.

Until ten years ago, the waterfront was the greatest untapped asset in this city. Today, it is booming and expanding our downtown.

Here's another example of public investment leading the way: Dudley Square. For years, we have been laying the groundwork for that community's resurgence. This year, we completed site acquisition to allow us to move forward with the redevelopment of the Ferdinand Building.

Today I am announcing that in the year ahead, I will move forward with a plan for a new police station in Dudley Square. These investments are not only a demonstration of the City's commitment to the people of Roxbury. They are important to the future of the entire city – and indeed the entire region.

Because sustainability requires that we make *all* of our land attractive for people and for growing businesses.

To fuel economic growth that continues for our future, we must maximize all of the city's resources – and land is especially precious in Boston. My goal is to make the most of Boston's land and the physical assets of the city. I want to improve the financial health of City government and strip away waste and inefficiency. I want to create room for the smart growth that this city's strong future will require. I want to improve the downtown public realm – create greater unity and beauty for our residents, and I want to push the redevelopment of the Waterfront past the tipping point.

To achieve all of this, I am initiating a plan to move City Hall.

Some of you may recall that I explored this idea back in 1998. I knew then how inefficient that building was, and how many expensive updates it would need in the years ahead. I knew that these prime parcels could do more for Boston's future.

But at that time, the market conditions were not right. Today, however, the demand for downtown development is stronger than it has ever been.

The sale will open up prime real estate for facilities and open space that will galvanize the vitality of our downtown and strengthen Boston's future. The market value for City Hall and City Hall Plaza will attract sufficient revenues to construct a new seat for City government.

This new building will bring together the city's past and its future, at a site that unites the history of our harbor with the promise of tomorrow's Boston.

We will build it on the City-owned site at Drydock Four, which currently has a temporary use agreement with the Bank of America Pavilion. The site is some 14 acres, dramatically marking the gateway to Boston's inner harbor.

It will sustain an architecturally magnificent structure, as well as wonderful open space along the water's edge. I will insist that our approach extends the achievements of the ICA – the building's co-existence with its environment, and the experience it offers to

visitors.

This site links commercial and residential uses with the important industrial businesses we worked so hard to protect. Our new City Hall will ensure the continued growth of the districts on either side.

Since this decision is motivated by my focus on lasting sustainability, I will require the new City Hall to be a model of green design and construction.

Where my administration led the charge to have people recognize the Waterfront as one of Boston's most important resources, our new City Hall will create new momentum. The bustle of this building will increase the activity of those new blocks, creating the vitality we envisioned not so long ago, when the waterfront was still just a string of parking lots.

Perhaps most importantly, our new City Hall will be a resounding declaration that this new building and the future it represents belong to all Bostonians.

I told you this was a revolution.

That's what we need – bold action plans for how we can make Boston's resources do more, and for how we can create a framework for a future of true greatness. Ultimately, this can only work if we invite all Bostonians into this process, and empower them to seize new opportunities.

That's why, this year, when we explored ways to bring Wi-Fi to Boston, we insisted that it extend to all neighborhoods and be affordable for people at all income levels. Today, we have created the most far-reaching and inclusive Wi-Fi plan of any American city. That network is now up and running in Quincy Market, and next month, it will become operational in the Grove Hall section of Roxbury.

Why Grove Hall? Because this is a revolution, and the City of Boston refuses to accept the digital divide. This is the right thing to do. If Boston is going to continue

competing at the highest levels, we cannot leave people out.

Sustaining the vitality of today's Boston requires that we maximize our workforce. Since the day I took office, I have told people to judge me by the progress in the Boston Public Schools. Strengthening our schools is necessary to ensure that young people are equipped to access tomorrow's opportunities, and it's necessary to ensure that your companies can hire the people you need to drive your success.

We have made great progress in our schools, and this year we were awarded the Broad Prize – the biggest education award in the country – as America's best urban school district. The Broad Prize recognizes the great strides we've made in reducing the achievement gap.

We will continue to apply the most progressive problem-solving to this issue. Just last week, we announced nearly one million dollars to support a new focus on education from birth to age 5. We're not just going to close the achievement gap – we're going to prevent it!

Last year, Manny Rivera was named the best urban school superintendent in America. This year, he's coming to Boston! That's the caliber of leadership that we promised people we would attract. That's what Boston's kids – and our companies – deserve.

While I'm on the topic of our workforce, let me talk for a moment about the state's community colleges. They are failing our students, and failing our businesses. They are failing the cities and towns in this Commonwealth.

The two community colleges located in Boston graduate fewer than fifteen percent of their full-time students – the lowest rates in the state. It is my sincere hope that the new governor will shake up that system, and I offer my help with the community colleges here in the city.

We need targeted programs that closely track the needs of Boston's growing employers. Because 55 percent of jobs in Boston require at least an associate's degree.

If the colleges can demonstrate that they are ready to deliver real results, then I will identify partners to employ graduates. I am even willing to help fund these sector-specific programs. That's how much this issue matters to Boston's future. We need an education infrastructure that can carry our kids to the companies that need their contributions.

I mentioned infrastructure. Do you know what our most outdated infrastructure is? It's not bridges or roadways. It's the structure that Beacon Hill imposes on the cities and towns of this Commonwealth.

Talk about a need for a revolution! Just listen to the people of Massachusetts. This year, more and more residents said no to Proposition 2 ½ overrides. These voters know that municipal services matter, but they also know that the state has been playing a shell game, putting tax burdens onto the backs of property owners. They know that cities and towns need greater flexibility to respond and adapt to today's economic landscape.

I congratulate Governor-elect Patrick on seeing through this scam, and I look forward to working with him on implementing a better system – a system that allocates more resources where they can stimulate growth and generate greater revenues.

The economic activity in Boston totals more than 73 billion dollars a year – that's almost a quarter of the gross state product. Clearly, Boston's economy fuels the Commonwealth, but the shortcomings of the state's system are not just a matter of revenues. The problems extend to how they impose regulations.

For example, the state limits the flexibility of cities and towns when it comes to providing healthcare for our employees. The City's health insurance spending is estimated at \$236 million this year. That represents an increase of 92% over the last six years. Meanwhile, the state gives itself a better deal in plan design and cost control, and its healthcare costs have risen 61% over the same period.

I never thought I'd be jealous of an organization that incurred a 61 percent cost increase, but that just shows you how crazy this whole issue has become.

If my administration operated under the same guidelines, we would have saved more than 6 million dollars this year alone. That kind of money would allow me to hire new teachers, add police officers or provide additional opportunities for young people, or expand important services – services that can drive growth – growth that serves the people of the entire state.

Make no mistake – my administration has never waited on the state to serve this city and its business community. We will continue to be creative and strategic with the City's investments. We will continue to think and act boldly – because Boston stands poised to become greater than it has ever been. We will continue to call on the private sector to focus on the big picture, because making Boston work better is as beneficial for you as it is for our residents.

It is crucial that we strengthen our sense of partnership and our shared sense of purpose – our determination to make the most out of Boston's great assets – our determination to make Boston the best city in the world.

I am grateful for your dedication to this city.

Thank you.