Olivia, Taylor, and Thomas - Giulia, Samantha, and Will, I am so proud of you.

To the City Council – especially our new members – this day on which we all take an oath connects us. I very much look forward to working together in this new term.

We are four days into a new year and four days into a new decade. These are milestones on a calendar, but they also provide a sense of renewal and possibility.

I’ve had so much time over the past month to think about our days ahead. I missed you. I missed you all, and I am thrilled to be here.

The time allowed me to speak with many of you. We all understand how deeply this national economic crisis touched every family. We know the holidays were tougher this year; that food pantries are busier than ever; that college acceptance letters arrive with more financial anxiety.

We know the economic rise that came before this recession also came with costs. Not all that was new in the bubble was so wise. True progress, we believe, should be long lasting and shared widely. And so, even though there are signs the economy may be starting to find more stable footing, we begin the new year wondering a bit more than usual just where we stand.

When in March of 1776 the British were expelled from Boston, George Washington and others came into the city to survey the damage. When they did, the historians tell us,
“the surprise...was how much had not been destroyed or carried off.” “So great had been the chaos and the rush of the enemy” and yet so much remained.¹

My fellow Bostonians, we have faced the rush of adversity over the last year, but so much of who we are as a city is still here. Our sense of community has not been weakened. Our human capital not carried off. Our uniquely Boston combination of ingenuity and perseverance still remains and will take us into this new decade, the best as we approach our city’s fourth century.

Remember that amid the recent challenges, our city was home to pioneering surgeries. It was here that companies developed technologies to slow down global warming. Here in Boston, our population is headed toward 700,000. We’ve been named as one of the greenest cities, best cities for young people, top cities for biotech, the city with the most improved education system.

We take special note that crime is down, our budget is balanced, neighborhoods are as strong as ever, and student test scores are up – our math gains topped the list of Washington, New York, Houston, Chicago and a host of other big cities.

We should remind ourselves of the progress and look ahead with confidence. This, after all, is a city of innovators – the parent who helps create an autism program in the Boston Public Schools; the neighborhood leader who reaches for a new way to communicate with a teen; the non-profit director who partners with a construction firm to create new jobs for Boston residents. They all find a way to move forward. And when an accountant becomes

nurse-in-chief at home and the public face for our city, she innovates too! Thank you Angela. My gratitude is beyond words.

So, as we come together and take stock of who we are – of our special Boston DNA – I have no doubts about what will carry us forward. We know we can create jobs, build even stronger, safer neighborhoods, improve our schools, and provide more affordable housing.

Today, knowing that all of our potential remains, we inaugurate a new era of shared innovation.

What does this mean for the next four years? It means “We’ve never done it this way” is not an excuse, it’s a reason to try. It means that “go-it-alone” is neither a way to get there, nor a destination. It means that at the top of our agenda are the hard tasks still left undone.

What will be some hallmarks of this era? A long list of goals includes four I highlight today: Transforming education, delivering on our waterfront and new jobs, making over basic city services, and bringing our city together across diverse backgrounds.

I’ll start with goal one, transformative progress in education. Here, fixing around the margins won’t be enough. We must have the capacity to reinvent ourselves.

This week, state legislators debate a reform bill that could provide turnaround authority for districts and position Massachusetts to compete for more than $250 million of federal funds. The right bill for our children increases the charter cap, but also provides turnaround capacity for districts in three places: One, the authority to create in-district charter schools. Two, the flexibility to assign the best teachers where they are needed most. And three, the ability to bypass lengthy arbitration at persistently under-performing schools.
It’s this combination – the entire mix – that makes good on the promise of education reform in the first place: to help ignite a transformation within districts and bring innovation to scale.

Some devoted leaders on Beacon Hill have worked hard to shape a bill that provides this mix. We are close, and I thank them. Our students and parents thank them.

To those who plan to block reform, or weaken it, or stand in the way of the last few pieces, I say make no mistake: it’s not pro-union to maintain under-performing schools for their own children. It’s not responsible to jeopardize $250 million. It’s not progressive to be middle of the road on education, the civil rights issue of our time. It’s certainly not right to put adult interests before kids’ needs. Politicians who would pass paper reform in place of the real thing and declare “Mission Accomplished” cheat our children.

If real reform wins, we can look to a day with one system of education in Boston. When there will be no wasteful feuding on charter versus pilot versus traditional public. Educators and best practices will move across fading boundaries. Our system will welcome innovation with one standard: deliver outstanding results for all of our youth.

Joshua Tabolt, who is here today, sent me his vision for Boston. Joshua is in the 11th grade at Another Course to College, a Boston Public School in Brighton. He wrote, “I have been fortunate to attend very good schools in Boston... However, not all students are able to get the same quality education that I have had. It’s important that all schools prepare all children for the future.” Joshua, I couldn’t agree with you more. We can all learn from you.

Goal two in this term is to unlock the potential of our city in Downtown Crossing, Dudley Square, and the Albany Street Corridor, and to deliver on the promise of our marine industrial park and waterfront by turning them into a vibrant Innovation District.
A new approach is called for on the waterfront – one that is both more deliberate and more experimental. Together, we should develop these thousand acres into a hub for knowledge workers and creative jobs. We’ll define innovation clusters – in green, biotech and health care, web development, and other industries. And there, we’ll experiment with alternative housing models. We will test new ideas that provide live/work opportunities to entrepreneurs and affordable co-housing for researchers.

Years of financial engineering left us with a sub-prime crisis in housing. It’s time to get back to “engineering engineering.” We’ll give architects and developers the challenge to experiment with new designs, new floor plans, and new materials. Our mandate to all will be to invent a 21st century district that meets the needs of the innovators who live and work in Boston – to create a job magnet, an urban lab on our shore, and to harvest its lessons for the city.

Goal three is to transform our delivery of basic city services and usher in a wave of municipal innovation. Sixteen years ago I was labeled the Urban Mechanic and described as a sort of one-man “Mr. Fix-it” when it came to the basics that make our city work. The nickname was overstated then, but it’s outdated now – we are all urban mechanics.

Smartphones, GPS, wireless technology, and a resurgent spirit of civic engagement mean that all of us are eyes and ears on the streets, that neighbors are our greatest source of data, and our citizens the best civic entrepreneurs. It’s time to build on our early experiments, deliver on projects we’ve dreamed up, and make Boston a proving ground for dozens of novel solutions.
This is an open call to foundations, entrepreneurs, technologists, and neighbors: Help us make Boston the hub of municipal innovation. Be the heart of this approach – one we call New Urban Mechanics – and make sure it delivers on the noble promise we make to all of our residents: to provide neighborhoods that work for them and their families.

A fourth goal is to bring our city truly together across diverse backgrounds. An honest look at our progress shows that we’ve come very far from the divisions of decades past, but that we still have some distance to go. I think we all feel that sometimes we share ZIP codes and sports teams more than a deep sense of shared experience. Nothing would make me prouder than for my grandkids to say their papa helped all of us here in Boston truly know each other.

When I made my first inaugural address, I promised to help bring about a century of inclusiveness in government. We’ve made much progress, but we must recommit ourselves to that ambition. Complacency is no excuse for leaving people out, but our aims should be even higher, so that this new decade is about opening doors, but also walking through them in each other’s shoes. I have ideas about how to do this – how to use our parks, our businesses, our places of worship, even our restaurants, to bring our city closer. But this is just the kind of project we should engage in together, and so I start by inviting your proposals.

Even as we transform our schools, deliver on the promise of our waterfront, and make over our city services, let us make sure this progress is shared among our people in the deepest sense of the word.
When we look back four years from now – when we meet these goals and many others
– we’ll have come very far. But our full achievement may be determined as much by how we
get there as by what we get done.

We will experiment and take risks.

We will form unexpected partnerships.

We will welcome ideas, reach out, and empower participation.

We will revisit the “old no’s.”

We will scale what works, and end what doesn’t. So I announce today that by April
we will identify two dozen existing programs to cut or consolidate and six more to expand
and support.

When we do these things, if we emphasize our best traits and set aside our less
productive habits, we will accomplish great things. It will be hard, no doubt. We’ll face
enormous budget constraints. But you might say that necessity is the mother of innovation.

There will be a substantial wind at our backs because in many ways, changes in the
world have come to us. Social networking is a new way of saying what we have long held
dear – we accomplish more when we engage people. Concerns about inequalities remind us of
what we have always felt – a city works best when it works for all of its residents. Market
failures in the last few years confirm for us, in this cradle of democracy, that yes, government
still has a positive role to play in people’s lives. There is no place on earth better positioned
to meet the challenges of a new decade or to make use of its new tools than here in Boston.

A new day of shared innovation lies ahead for all of us, and we carry into it all the
talent, fortitude, and creativity that have brought us here. My friend Ted Kennedy said once
that, “All of us will live on in the future we make.” Let our legacy to each other be launching pads for those who follow. Let us show the world that in Boston, history is just a prelude. That here, we don’t lay capstones, we lay foundations.

It was the privilege of a lifetime to take this oath for a fifth term this morning. We have only 1,463 days in this new term. Today is day one. Let’s go out and make the most of it and every one that follows.

Thank you and God bless all of you and this city.