City Commissioners, City Staff, Citizens, Friends and Distinguished Guests:

Good afternoon and welcome to the State of the City Address, an event that we are holding today for the first time, and hope to repeat each January to bring our city's progress and challenges into focus for the years ahead.

There is no question that 2004 brought historic disasters and losses to our great City in a Forest. Facing the fury and aftermath of Hurricanes Frances and Jeanne was a watershed event, if you'll excuse the irony. Never before have our employees, citizens, businesses, educational institutions and fellow local governments been called upon to respond to such dramatic devastation, flooding, loss of power, and, tragically, loss of life. While these terrible storms presented severe hardship to many of our citizens, the community's response also demonstrated the dedication, compassion and competency of our city staff and citizens. I have never been prouder to be associated with the fine men and women who respond to 911 calls, keep our lights on and water flowing, maintain our trees, pick up our debris, and otherwise make this City work. Please join me again in sharing our great appreciation for the local and visiting "hurricane heroes" of 2004.

Let me tell you what these heroes actually did: City staff responded to the biggest challenge facing our utility system in at least 30 years during these two hurricanes within three weeks. Out of 85,000 customers, sixty thousand were without power due to Hurricane Frances and 31,000 customers were without power from Hurricane Jeanne. Power was restored to all of our customers following each hurricane within one week.

In general government, we spent approximately $4 million on hurricane related cleanup and debris removal, of which approximately $3,737,000 will eventually be reimbursed by FEMA. This meant that many city employees worked 10 to 12 hours per day or more for weeks on end to restore a sense of normalcy to our citizens. And I can tell you, after working four hours on a Waste Management trash truck, I was ready to be carted off myself, so this is not a cushy desk job, folks!

While not quite a natural disaster, it was also a real loss to our city government to have to bid goodbye to our trusted City Auditor, Alan Ash, and "cool hand" City Manager Wayne Bowers. Both are professionals of the highest caliber, and while Gainesville misses them dearly, we know that Toronto, Canada and Greenville, North Carolina will be better communities under their steady leadership. And, while I believe longevity of service in our senior staff is perhaps one of the greatest strengths of this local government, change represents a tremendous opportunity as well.

Barbara Lipscomb, who was hired by Wayne Bowers from the City of Lakeland after 18 years of public service there, has already introduced a new energy and "get it done" attitude here in City Hall as our Interim City Manager. Barbara's innovation in establishing the new Communications Office, suggesting possible amendment to our City Charter to reduce the frequency of Commission elections, and visionary leadership in moving forward with the Southeast Renaissance to revitalize Kennedy Homes and
the surrounding area demonstrate Barbara's passion and competence. Barbara also facilitated the swift hiring of our new Tallahassee lobbyist, Doug Bruce, who will work hard to advocate our financial needs in the state capitol for the first time in ten years or more.

Brent Godshalk has replaced Alan in the Auditor's office, and has already developed a reorganization plan that will enable adding staff without increasing the budget, and enabling greater effectiveness, innovation and visibility of his staff. As I have often said, the Office of the City Auditor returns great value to the city government by providing checks and balances, management reviews, and financial oversight to every department and work site.

I must also express my own continuing commitment to the Office of Equal Opportunity Director that was established by voter referendum in the fall of 2002. Jimmie Williams was selected as the Equal Opportunity Charter Officer in early 2004, a historic appointment with high expectations. We must empower Jimmie to use his office not only to effectively respond to complaints of discrimination, but more importantly, to help both public and private employers to understand the incredible value of diversity and inclusiveness.

The year 2004 brought with it contentious elections here at home, and the deployment of American troops at war overseas. As we watch the Iraqi people literally risk death and terrorism to go to the polls next week, let's be grateful that in our nation we confine our political disagreements to debates, television ads and documentaries. More importantly, let us thank the men and women who have been deployed to Afghanistan and Iraq, and other parts of the world, in furtherance of their commitment to our nation and the democracy we hold dear. Many city employees have served in the Middle East, and many more have family members who have endangered their lives on our behalf. Please join me in thanking them for their service, and in prayer and best wishes for their swift and safe return.

Despite these tremendous and sometimes heart-wrenching challenges, I am very proud to be able to report to you that your City is strong and growing stronger every day. Because of the hard work and dedication of more than 1293 general government employees and 788 at Gainesville Regional Utilities, I believe this is one of the most competent, professional local governments in the United States of America. It is extremely rare for any one of your elected officials to learn of a project or program being implemented elsewhere that we have not already adopted here at home.

While there are literally dozens of pages of accomplishments that our Charter Officers have outlined for 2004, which are of course available for close inspection, please allow me to highlight just a portion of these.

Community Development

- 2004 was a record year for the Building Inspection Department with 9,750 permits issued representing $329 million in building valuation for renovations,
new construction and redevelopment, and 20,000 inspections performed. This compares to 5,700 inspections made in 2003.

- The Community Redevelopment Agency (CRA) approved $409,382 in incentives to assist three projects valued at $5,485,000, representing a funding leverage ratio of more than 10 to 1. These projects include Royale Palms, Heritage Oaks, and Woodbury Row. Other CRA projects include façade grants, installation of Lumec light fixtures (University Ave between NW 6th and NW 3rd Street), increased street, sidewalk, and landscape maintenance and graffiti abatement. Upcoming projects include the Lofts, University Corners, NW 5th Avenue Streetscape & East University Medians, and Model Block construction, to name a few. Commissioner Nielsen has been a great supporter of Gainesville's redevelopment efforts, and I want to thank and recognize for his evangelical zeal and vision in this regard.

- Community Development initiated and completed major land development code and comprehensive plan changes. Handled 900 zoning compliance permits, over 80 site plan reviews, and approved over 100 historic preservation certificates.

- We added Springhill, Stephen Foster and Ironwood to the neighborhood planning program. This program is set up to provide both tangible benefits, such as new landscaping that was done in the Lincoln Estates and Grove Street neighborhoods, or new signage such as in Duval and Hibiscus Park. But it also helps encourage better communication and relationships both within neighborhoods and with city departments. We look forward to continued success in this program.

- Community Development assisted with housing rehabilitation, financing, homebuyer education, and other housing program initiatives affecting some 734 units.

- In FY 2003, 18 new houses were built in Cedar Grove; 21 new homes were built in Cedar Grove in FY 2004.

- We added two additional Code Enforcement Officers to assist with rental properties and conducted the most aggressive year of enforcement thus far. Some 24 dangerous buildings have been demolished or rehabilitated, 273 routine inspections of rental units were conducted, and 502 proactive cases were initiated. Enforcement of abandoned vehicles and inspection of commercial buildings were increased throughout the City.

Gainesville Police Department
- GPD implemented the new "Police 2 Citizen" (P2C) internet based website which allows citizens to obtain police reports, view daily bulletins of crime
incidents in real-time, view incident maps and recent arrests, and provides a community-police calendar of events.

- GPD has done a wonderful job initiating the “Phoenix” initiative to provide neighborhood oriented and after school programs in partnership with UF and SFCC. The Phoenix neighborhood is an island of low to moderate income families in a sea of student complexes off of NW 34th Street, and GPD has been a steady and positive influence there. Commissioner Domenech has taken special interest in this area, and the Commission approved funding for a new, small park in the area and is seeking equipment dollars as well.

- In 2004 GPD implemented a new wireless technology project in which 275 laptops were purchased and installed in patrol vehicles. All incident, accident, and arrest reports are now handled electronically. There is no question that Chief Botsford has truly brought the police department into the 21st Century with technology that maximizes efficient use of our officers' time.

- GPD also completed a $420,000 renovation to provide 4,000 SF new evidence locker secure space and various administration building renovations (offices, police gym, lounge, etc.) were finished.

- Construction of new Reichert House kicked off in December 2004. This is a program that changes the lives of young men, giving them role models, training, discipline, and a vision for a brighter future.

- Our police department also implemented a new Domestic Violence Unit that was funded by a Federal Grant. The dangers posed by domestic violence are real, and GPD has long been a leader in addressing these crimes.

**Public Works and the Regional Transit System**

- In a partnership with the Community Redevelopment Agency, the County, and private investors such as McGurn Investment, the city opened a new 850-space Southwest Downtown Parking Garage that required the addition of three new support staff positions.

- The City secured nearly $1.5 million in grant funding from various federal and state grant sources and obtained a $15 million state revolving fund loan, enabling the City to move forward to bid the remediation and stormwater elements of the Depot Park & Transportation Corridor Project from South Main to SE 7th Ave. Continuing efforts to secure funding for the recreational elements of the project are underway. We are excited to be breaking ground on the Depot Park on February 21, after more than seven years of planning, engineering, grant-seeking, and public involvement.
The Public Works Department continued Duck Pond restoration efforts, and continued the Lincoln Estates piping project, Duval Neighborhood Stormwater Park, and other stormwater projects.

Completion of NE 3rd Avenue Roadway and Median Project is underway (construction delayed due to hurricane). SW 2nd Avenue Streetscape construction from South Main to 13th Streets is anticipated by spring 2005. SW 23rd Terrace between Archer and Williston pavement restoration (milling/resurfacing) was completed in Spring 2004. The Glen Springs Road Safety construction project is anticipated to be completed in 2005.

Public Works constructed 3,000 linear feet (LF) of new sidewalk, replaced 9,000 LF of damaged sidewalk, swept 16,000 curb miles of streets, mowed 764 acres of right of way, installed 16 speed humps, constructed 6,400 LF of new bike paths, patched 18,000 potholes, reconstructed 15,000 LF of roadway, provided 85,000 square yards of asphalt overlay and maintenance, installed 36 ADA sidewalk ramps, removed and replaced 3,700 LF of curb and gutter, and completed Pavement Management System implementation.

One of Gainesville's most dramatic success stories over the past few years is our Regional Transit System. Despite the impact of the hurricanes, RTS reported a slight increase in RTS ridership, with approximately 8,147,000 riders in FY04. Compare this to a ridership of around 1.5 million in 1996, and you'll understand the Herculean task our RTS drivers, mechanics, and administrators have faced in recent years. We now have the fourth largest transit ridership in the state, putting us in league with cities like Miami, Tampa and Jacksonville.

RTS added nine new lift equipped buses with security cameras and GPS voice activation systems.

We expanded RTS personnel to service Southwest Gainesville by adding five new transit operators and one vehicle service attendant. A total of 10 new operator positions and one administrative position increased the RTS employee count to 218 in the FY05 budget.

RTS designed a new and expanded administration building and bus garage and conducted associated funding initiatives in FY05. We are close to completion of the new RTS employee parking facility.

Perhaps the thing I am most admiring of is the high moral and employee commitment that RTS has achieved with Jeff Logan's leadership. The RTS Holiday party is a joyous and well attended event, and sick leave and injury pay were reduced by 19% and 12% respectively in RTS during 2004. I'd like...
to note that Commissioner Lowe has been a strong and effective advocate for RTS, and he and I share the goal of reviewing the financial needs of RTS in the coming year, and planning for even greater future success.

Gainesville Fire Rescue
Let me begin by sharing with some sadness that Fire Chief Richard Williams will retire at the end of February, 2005. An Interim Fire Chief will be announced in early February. GFR should be rightly proud that this year there were award announcements by the state associations of Fire Chiefs, Fire Marshals, and Firefighters. Darrell W. Brown, Alllen Siorek. Each respectively announced one of Gainesville’s own as Fire Chief of the Year, Fire Investigator of the Year, and Firefighter of the Year. Three state recognitions in one year is a significant accomplishment and reflect the high degree of professionalism maintained by the Fire Department, and we are grateful to Chief Williams, Darrell W. Brown, and Allen Siorek for their accomplishments. In addition:

- GFR initiated a False Fire Alarm Ordinance that was adopted by the City Commission and is in the process of implementation. If it follows the pattern of our previous false alarm efforts, wasted calls for service will be dramatically decreased, saving our fire rescue staff for real emergencies.

- GFR conducted over 1200 fire inspections, responded to over 14,500 incidents for assistance (including 9,600 emergency medical incidents), and conducted 70 fire origin and cause investigations.

- The Department partnered with the Alachua County School Board to develop a new Firefighter Rescue magnet program to be based at Eastside high School with practical infrastructure at the Loften Center and established new 15-member Fire Explorer post. Currently, the Entry Pavilion at Safety City is being constructed. The Department made presentations to over 2000 students via the Fire Public Education Program.

- The City partnered with Gainesville Sports Organizing Committee (GSOC) to sponsor a Regional Firefighter Combat Challenge competition that drew 26 teams from across the Southeast and constructed a new fire tower.

- GFR participated in Alachua County Fire Services Master Plan consulting study.

- Finally, GFR wrote grants and received over $750,000 in various funds for fire/rescue operations, safety and equipment.

Economic Development Department
- The Economic Development Department administered the Gainesville Enterprise Zone in which $232,000 in local government and $44,000 in State
of Florida incentives were provided to 438 businesses, representing 890 jobs, located in the zone.

- Eric Bredfeldt, the Director, organized a successful Economic Development Summit that defined the need to diversify Gainesville’s economy. Toward that end, business assistance and/or recruitment efforts were targeted toward Lowe’s, Eclipse, Quartz Solutions, and other companies.

- The Economic Development Department staffed the new Economic Development University Community Committee, which coordinated the recommendations from the Norfolk-New Haven Trip, such as the implementation of the Business Appreciation Proclamation program and recommendations to streamline the development process.

- We adopted the Economic Development Strategic Action Plan and Peer Cities Benchmarking process, and identified infrastructure, business environment, diversification, workforce development and quality of life as the most significant elements for concentration of efforts. Commissioner Braddy and I have both been strong advocates for these benchmarking efforts, to provide fair comparisons between Gainesville and our peer cities.

- Additional economic incentives were creating, including $100,000 provided by GRU and $75,000 from the Economic Development Fund. These can be used for business retention, recruitment, GTEC tenant transition, utility connections, site infrastructure improvements and land assembly, as well as advertising and promotions. Additionally, a new Small and Minority Business Coordinator position was established to assist small businesses. An annual funding contribution of $25,000 was initiated with the FY05 budget to fund a $100,000 business loan pool commitment for an Entrepreneurial Charter School, an effort led by County Commissioner Rodney Long.

### Departments of Recreation, Parks and Cultural Affairs

- We are very excited that the Recreation Department completed the first phase of the Cone Park development, including the opening of the Eastside Center.

- We acquired the Cofrin property, which is scheduled to open in spring 2005, Dr. John Mahon Park property, and the Bivens Arm Extension. These additions represent an addition of approximately 60 new acres to the City park system, and each were wholly or in part donated or grant funded.

- The City completed new playground installations at Westside Park, ANNE, Green Acres, Lincoln, T. B. McPherson, Oak Hall and Ring Park. New
playground equipment will be installed soon at the Rosa B. Williams Center and T. B. McPherson.

- The City secured additional funding to expand the Westwood and Kanapaha Middle School Teen Zone programs (120 registered at each facility), and initiated new teams for new sport leagues. These programs, supported by the ACTION Network and other community groups, dramatically improve behavioral and educational outcomes for the children who participate.
- The Recreation Department installed new sodium hypochlorite systems and eliminated the chlorine gas systems at Westside and Northside pools.
- Our staff participated in the Better Parks & Better Roads sales tax initiative and hurricane cleanup projects. I'd like to take a moment to particularly recognize Commissioner Rick Bryant and County Commissioner Lee Pinkoson and Manager Randy Reid for their hard work on this initiative. While it did not pass countywide, both initiatives were overwhelmingly approved inside the city limits. This, I believe, gives us direction that our citizens care about meeting these needs, and are willing to fund them.
- Our Cultural Affairs Department is to be commended for successful implementation of the Spring Arts Festival the Fall Arts & Jazz Festival, the Hoggetownne Medieval Faire, downtown events and others.
- Ironwood Golf Course continues to be popular and well-regarded by local golfers. Installation of new golf cart paths has recently been completed.

General Government Finances and Administration
A new two-year General Government budget (excluding utilities) was adopted for FY05 and FY06, totaling $203 million and $210 million, respectively. The General Fund budget totals $82.8 million for FY05 and $84.9 million for FY06. The Ad Valorem property tax rate of 4.9416 was retained. This represents the nineteen and twentieth years of the millage rate remaining constant or decreasing. Major revenues for the General Fund include property taxes and utility transfers, with property taxes $18.2 million representing 22% of General Fund revenue and GRU utility transfers of $27.2 million representing 34% of the General Fund Revenues.

On the expenditure side, personnel costs represent 62% of the General Fund budget, and operating expenses represent 23%. FY05 includes an increase of 19.6 employees in comparison with the FY04 Adopted Budget. The majority of these positions were added mid-year in FY2004. Of the 1293 employees, 29% represent Police personnel, 12% are assigned to Fire Department, 29.1% are employed in Public Works/RTS, and the remaining employees housed in the other General Government departments.

Other initiatives include the successful negotiation of a new 10-year cable television franchise agreement with Cox Cable franchise in which the City will receive a total
amount of $637,000 to upgrade Channel 12 broadcast equipment and for the establishment of a new public access channel. Other Finance highlights include refunding of 1994 bonds providing gross savings of $750,000 and a SWAP of 2003 Pension Bonds that resulted in net revenue of $940,000 to the City after 76 days!

Computer Services, OMB and Human Resources were involved in replacing aging computer hardware and software (including installation of new software systems for the budget, a new applicant tracking system and a new job task analysis system), completing the Finance system conversion, implementing off-site web e-mail access, developing a web-based employee training tracking system, and developing an intranet system. A Living Wage Ordinance was enacted as well as the ICMA Performance Measures Program.

Gainesville Regional Utilities
- In 2004, Gainesville Regional Utilities received a Double "A" bond rating from Standard and Poor's and an Aa2 bond rating from Moody's Investor Services. GRU shared this status, along with eight other utilities, out of 2,000 municipal utilities nationwide.

Let me say that again in English: GRU is one of the nine highest rated public utilities in the USA from a financial perspective. Thank you to Mike Kurtz, GRU's director, and his leadership team and entire staff for running such a fine organization. This strength of course has real financial benefits to our customers, who of course extend well beyond the city's boundaries:

- For ten years in a row GRU's electric base rates have decreased or remained the same.

- Natural gas rates remained the same and continued to be the lowest in the state.

- Water and wastewater rates increased this year to address important capital needs, but remained in the lowest quartile of Florida water and wastewater utilities for both residential and commercial rates.

- A Request for Proposal was issued for "Innovative Electrical Demand Side Management Programs." The objective of the RFP was to seek proposals for electrical energy and power demand reduction pay-for-performance programs in an effort to capture all the cost effective demand-side management available in our service area. Ten applicants responded to the RFP and were being evaluated.

- Six new conservation programs and one pilot program were proposed for implementation in 2005, ranging from a duct leak pilot project to an incentive for installing more efficiency air conditioning equipment. I look forward to tracking
the successful implementation of these programs, and an on-going tracking of the tangible energy savings achieved.

- The Landfill to Energy project was launched and customers began purchasing GRUgreen Energy, a mixture of biomass, wind and solar. Our primary source of green energy is the Archer Southwest Landfill that generated approximately 1.1 megawatts to power 500 homes with electricity.

- Solar panels were installed at two area schools, Kanapaha and Westwood Middle Schools. This was possible in part from a $16,800 grant received from the State of Florida’s Solar Energy Center, donations from GRU customers and GRU. The curriculum provided students with a hands-on approach to solar energy.

- GRU and General Government staffs solicited community comments through public outreach efforts regarding the proposed remedial approach to the Gainesville Gas Manufactured Gas Plant Site. Studies documenting the basis for the proposed soil cleanup target levels (SCTLs) were submitted to and approved by the regulatory agencies. A formal Remedial Action Plan was submitted and is pending approval by the FDEP. We received a $1.9 million settlement (from a claim on a historical insurance policy) and Voluntary Cleanup Tax Credits in the amount of $94,521 for clean-up related activities performed in 2003.

- GRU began expansion of reclaimed water to east Gainesville with construction of a new line from the Main Street Plant. We received a grant from the St. Johns River Water Management District to assist with this line which will carry reclaimed water to the Depot Avenue Stormwater Park.

- The electric primary distribution system is now 55.42% underground. Work in 2004 included conversion from overhead lines on NE 1st Avenue, NE 2nd Avenue and NE 5th Street to underground in conjunction with the Commerce Building and Regents Park condominium project; overhead lines were converted to underground around the new County Courthouse and the new Parking garage; overhead lines from NE 31st Avenue to NE 39th Avenue; overhead lines on University Avenue from 34th Street to 38th Street was reconfigured and a portion placed underground; along 34th Street overhead lines in front of Publix shopping center were removed, reconfigured and placed underground; overhead lines at the intersection of NW 16th Boulevard/NW 23 Avenue and NW 43rd Street were converted to underground.

- During the second quarter of this year, our Business Partners program grew from 792 to 894 customers, allowing smaller businesses to take advantage of lower electric rates. Ninety-one of our top 100 business partners and 260 of our top 400 businesses signed an agreement.
• Natural gas customers grew to 31,000. Three subdivisions were converted from LP to natural gas which added 59 customers to our customer base. In addition, our facilities were expanded to Santa Fe High School and the Heritage Oaks development in the City of Alachua.

• GRU.Net and Gator.Net, our Internet Service Web sites, were upgraded and launched.

• In an effort to identify and secure a site for an Eastside Operations Center, staff evaluated different parcels in East Gainesville that met the required zoning and future land use requirements for utility operations, provided sufficient developable acreage and provided effective access to major arterial transportation corridors. Once a site has been secured, an architectural and engineering services firm(s) will be employed to aid in the design, planning and construction of the new operations center.

• Various financial tools, staff and a private risk management consultant all helped generate natural gas savings of nearly $800,000. Staff continued to utilize physical contracts and financial hedges to minimize the impact of increased fuel costs (i.e. coal, natural gas and fuel oil) to our ratepayers.

• GRU completed construction of approximately 5200 feet of new 36-inch pipe between SW 2\textsuperscript{nd} Avenue and Hull Road after obtaining easements from UF. This will give us the ability to reroute wastewater should we experience a failure on the main line running along NW 34 Street.

• The utility also completed slip lining of approximately 5400 feet of 21-inch diameter wastewater line along Hogtown Creek.

• A public education program was implemented to educate business and residential customers about grease blockages to help prevent wastewater spills. Staff made annual site inspections to ensure businesses were in compliance with the City’s ordinance concerning grease traps. Additional codes were approved by the City’s Code Enforcement Board and the City Commission.

• Resolutions that requested actions from the USEPA on the Cabot Koppers Superfund Site were developed by staff and approved by the City Commission and Alachua County. These resolutions were then presented to the legislators on April 1, 2004. In response to Senator Bill Nelson’s visit and subsequent correspondence with USEPA, USEPA required Beazer to develop final remediation on an expedited schedule and required material at the source of contamination be removed. Staff pressured EPA and Beazer for immediate action and investigated legal options. After two sentinel monitoring wells were installed in the Floridan Aquifer just north of the Koppers site, results showed no creosote contaminants, but arsenic levels were above drinking water standards.
Arsenic experts were hired to determine the source and whether levels are natural or due to contamination.

- Expansion began on the existing chlorine building at the Murphree Water Treatment Plant that increased chlorine storage capacity, replaced chlorination system components and provided an emergency chlorine scrubber system. A second gravity thickener and pumping equipment will be added during the construction process to give sufficient sludge handling capacity for flows up to 60 million gallons per day.

- Accelerated Access, a new Internet Services feature that provides five times faster speeds than standard dial-up, was made available as part of our Gator.Net and GRU.Net at no additional cost.

- GRU earned several awards, for projects including Chapman's Pond, GRUGreen Energy, and the Commerce Center and Regents Park Streetlighting Projects. For the second year in a row, our gas employees earned the American Gas Association’s Safety Achievement Award for achieving the lowest incident rate of disabling injuries in 2003 in the small-sized, combination company category. We received the 2003 Award of Excellence and the Best Water Award from the Florida Section of the American Water Works Association exceeding public safety industry standards and providing the best tasting drinking water in our region respectively. Our line workers won fifth place in the municipal division of the International Lineman’s Rodeo in Kansas City.

The work of the city, both in general government and GRU, would not be possible without the dedicated assistance of the City Attorney's Office, the City Clerk's Office, the Auditor's Office, Equal Opportunity, and administrative programs such as Purchasing and Finance and Accounting. Each of these work groups is also to be commended and recognized.

City Attorney's Office
For example, the City Attorney's office facilitated the negotiation and successful resolution (a safe, orderly and effective board and seal process) of the Kennedy Homes crisis by working with AIMCO representatives, their counsel, GPD, Code Enforcement, the Building Division and City Manager. The City Attorney's Office is currently responding to more than 88 complaints filed with H.U.D. by former residents and tenants of Kennedy Homes. The City Attorney also monitored and assisted in the relocation and payment of moneys to eligible tenants. The office recouped over $16,094.83 from AIMCO for past due moneys owed to GRU. Currently, the City Attorney is working with Staff to plan for the revitalization and redevelopment of this site. Commissioner Chestnut has been a leader in forging a better vision for Southeast Gainesville and its residents.
• The City Attorney’s Office researched and prepared emergency declarations and administrative orders for the Mayor and City Manager to protect the public health, welfare and safety of the citizens before, during and after the disastrous hurricane events. The office worked closely with emergency personnel to ensure that they had appropriate authority and resources to perform emergency functions. Staff of the Office voluntarily assisted other departments, particularly Public Works, to aid in the response after the disaster, including the clean up of debris.

• The City Attorney's Office also assisted in renegotiating the solid waste inter-local agreement with the county, drafting of a new Handbill ordinance to reduce unwanted delivery of an advertisement magazine, and won a favorable ruling in the case Sheriff of Alachua County v. Alachua County and City of Gainesville. The ruling of the appellate court upholds the decision of the trial court that an MSTU is a proper legal tool for funding law enforcement services in unincorporated Alachua County. This decision protects city taxpayers in Alachua County from paying for law enforcement services provided to residents in the unincorporated areas by the Sheriff’s Office.

City Clerk's Office

• The City Commission relies on the Clerk's office to manage our day to day activities and flow of paper. I literally could not do my job without the incredibly able support of Debra Hirneise, who is now in her seventh year as my right hand. Devonia Andrew performs a similar function for a number of the commissioners, and of course the rest of the Clerk's staff is invaluable as well. Clerk Kurt Lannon has initiated a significant upgrade to the Legistar System, our agenda program. This will enable more information to be obtained by citizens via the internet.
• The Clerk's office has improved communication with the public in other ways as well, such as by re-instituting the board and committee reception, and by managing our most successful process for naming student adjuncts to boards and committees this year.
• The Clerk transferred 1.5 positions to the Public Information Office, which we expect to grow in scope and effectiveness.
• City Commission meetings are now recorded and available on DVD.

Looking Ahead
As you can see, the City's accomplishments over this past year were dramatic, despite the challenges we faced. Our expectations are and should be high for Gainesville, and my commitment to you is that we will continue to work to provide excellent value and a respect for community needs and desires.

Toward that end, I'd like to outline a few of the initiatives we are already working on for 2005, and some I am laying out today publicly for the first time.
The capital projects that we have funded for this year include:

- Roof replacements will be completed at Fire Station 2, GPD, and the Tench Building at a cost of $215,000
- Thomas Center A & B will be re-roofed and the exterior will be painted at a cost of $800,000
- Downtown Plaza restrooms will be renovated, estimated at $130,000
- Fire Station restrooms - $100,000
- $1,000,000 will be allocated for capital stormwater projects
- $300,000 will be spent on Eastside redevelopment projects and
- $275,000 is allocated for the Downtown Plaza and/or other city facility improvements

The City Commission has allocated funds for one-time Recreation and Parks and Public Works projects as follows:

- Cofrin Nature Park $ 50,000*
- Bivens Boardwalk $ 50,000
- Phoenix Recreation Opportunities $100,000
- Ball field renovations $100,000
- Lot on NE 8th & 15th $57,250
- T B McPherson $33,380**

*In addition to grant funds
**In addition to Community Development Block Grant funds

Approximately $600,000 for road improvements has been identified. In FY05, $500,000 will be used for 2nd Avenue improvements and, in FY06 $400,000 will be used for Depot Avenue improvements. Efforts will be made to invigorate the 5-Year capital budget.

We have at least ten areas of special focus that will require forming new partnerships and calling upon our community's collective energy and creativity to achieve success over the next few years. These are:

1. Revitalizing South Downtown by building the Depot Park, reconstructing Depot Avenue, building a New RTS Transfer Station, and relocating some GRU facilities.

As mentioned earlier, these projects have been underway for seven years or more, but in 2005 they will begin to move from the planning to implementation stages. This is an area that has been truly left behind. Without the city's vision and the incredible investment of staff including Teresa Scott, Stu Pearson, Matt Dube, Yolanta Jonynas, David Richardson and others, this project could never have reached fruition. Millions and millions of dollars have been obtained from multiple funding sources, and a great deal of citizen energy through the Sprout Task Force and other groups have contributed immeasurably. Were it not for this work, this area would be practically without value:
we could literally not give this land away, due to decades of environmental contamination and economic neglect. I could not be more excited to see this finally become a reality, I invite you each to the groundbreaking on February 21, and I share my sincere thanks with our staff and citizens.

2. Implement the Southeast Renaissance and Plan East Gainesville

The Kennedy Homes saga is a stain on the fabric of our city. It is past time to develop and implement a new vision for this forgotten part of town. This past Monday the City Commission allocated $50,000 to initiate the work needed to acquire land, perform marketing studies, seek grants and develop visions for this area. There is no reason Gainesville’s Southeast cannot be a success story in the near future.

Not only will this bring equity and opportunity to the Eastside, it will help to balance the strains caused by excess traffic, poorly planned development, and the rich abundance of housing and shopping available on the Westside. One of our best solutions to the infrastructure, housing, schools, and shopping strains in West Gainesville is to shift new growth toward East Gainesville. This will take some hard decisions on the part of city and county commissioners. When we choose to take money for roads, out of sequence and without public buy-in, to fuel more growth near Archer Road, we make it that much harder to fund and build infrastructure that would support needed improvements in East Gainesville.

I challenge the City and County to review our capital budgets and our MTPO priorities and to align our infrastructure funding priorities with our community development priorities. Again, this will not be easy, but it is a necessary step toward creating a healthier, more balanced community.

3. Adopt a Plan for Gainesville’s Energy Future

Make no mistake; I believe GRU has provided us a good and balanced plan to meet our energy needs for the coming decades through a mix of state of the art coal technology, locally produced biomass, conservation, photovoltaics, landfill gas, and other energy sources. They have recommended an innovative fund for reducing greenhouse gases, and have suggested improving our emissions control technology in advance of regulatory requirements. The question for me is not whether the plan is good. It is whether we can do even better. On Monday we will have another community dialog in this regard. My hope is that we can map out a plan for reaching a balanced, consensus decision no later than August 1 of this year, so our competent staff can do what they do best, provide for the needs of our community.

4. Support Campus Planning and Technology Transfer
Our new leadership at the University of Florida, and recent successes such as construction of the new Biomedical facilities, and invitation to join the Florida High Tech Corridor, are great for Gainesville. As UF seeks to break into the ranks of the top ten public universities, Gainesville must be an eager partner. Together we can restore the areas around campus, near Shands at AGH, and between campus and downtown, to make Gainesville a more vibrant, culturally enriching, and economically equitable place to live. Santa Fe can be a vital participant in this effort, and President Sasser is committed to help.

5. Reach Higher for Neighborhood Safety and Improvement

We must remain vigilant in protecting single family neighborhoods, and must continue to support aggressive programs in Codes Enforcement, infrastructure improvement, community oriented policing, and the like. Despite our best efforts, there are neighborhoods that need more help; much more. We need to devise new and innovative strategies to not just stabilize but improve our current conditions. What is a city without healthy neighborhoods?

6. Continue to Revitalize Downtown and the Urban Core

We are releasing a new request for proposals for the city surface parking lot next to the new parking garage, and will see University Lofts, University Corners, Park Central, the Model Block, and other core area developments built this year. We need to expand our focus to North and South 13th Street, 6th Street, University, Main, Waldo Road, and other key corridors.

7. Increase Partnerships in Recreation, Transportation, and Public Safety

Gainesville, Alachua County, and our sister municipalities have a long and proud history of working together for the common good. But we can do better. We should re-institute bi-annual meetings with the County Commission to discuss issues such as service transitions for planned annexations, re-prioritized road and park funding, and future needs for fire and police services.

8. Improve Our Water and Wastewater System

GRU is actively expanding its reuse system, which both reduces demand for potable water and provides a better alternative for clean wastewater effluent disposal. This year we should continue to support and monitor efforts such as these, and should further the capital needs to prevent unplanned line breaks and system failures.

The City should inventory and evaluate all of the public and private programs provided to special needs populations, and review where gaps exist to be filled. Working with both public and private provider partners, we can better focus our resources if we have a better sense of where the greatest needs exist. I would like to form short-term focus groups to evaluate how we can get a better "bang for the buck" in the programs we already provide, and how to prioritize new funding. Existing advisory groups such as the CACCD could assist in this regard.

10. Improve Efficiency, Effectiveness and Collegiality in City Government

This year, I will challenge our managers, staff and commissioners not only to continue the excellent work outlined above, but also to seek ways to get even better. We have a tendency to do things that we've always done, but don't always adjust to new conditions. Perhaps we can implement incentive programs, benchmarking efforts, or focus teams to bring new ideas for cost savings and organizational efficiency forward.

I want to thank you for your participation in today's State of the City address. I hope you agree with me that Gainesville is strong and getting stronger every day. I thank you for your support of our city, and invite you to join us in these efforts.