

MAYOR MARK STODOLA'S STATE OF THE CITY ADDRESS- MAY 1, 2008

To Vice-Mayor Stacy Hurst and to my distinguished colleagues on the City Board of Directors, to our hardworking City Manager Bruce T. Moore, and our Department Directors who are with him today, to our City Attorney Tom Carpenter and his dedicated staff, and to all of the other employees who are in attendance, as well as to my wife and my sons, John Mark and Robert, and all of the distinguished guests who are assembled here today, let me welcome you to the Willie Hinton Neighborhood Resource Center which has served as a seat of citizen involvement for several years now since the City acquired it from the Little Rock School District, and to this official State of the City Address highlighting the accomplishments the City has realized over the past year and the challenges still yet to be conquered.

PUBLIC SAFETY

Prior to 2007, the City, like many cities throughout the country, experienced a resurgence in violent crime which we all too often witnessed on the nightly news. I am happy to report that in 2007 the City of Little Rock has seen a real decline in the violent crime rate statistics for our city. During calendar year 2007, we saw a 10.6 per cent reduction in violent crime as reported to the FBI. In the area of property crimes, during the first part of the year, we were experiencing in excess of a 50 per cent increase in robberies with burglaries in multiple digits. To deal with this issue, in October of last

year, we entered into a contract with the Faulkner County Jail to incarcerate the repeat burglars and thieves which our own Pulaski County Jail refused to take. Because of this we saw overall only a 2 per cent increase in property crimes for the year. We do have reason to be optimistic, however, as I am encouraged by the hard work of our Police Department during the first quarter of 2008.

So far this year we have experienced a 26.83 per cent reduction in violent crimes, an overall 2.45 per cent reduction in property crimes and, most importantly, a 9.63 per cent reduction in burglaries. This is very encouraging news and it is a sign that the Police Department and the leadership of the City understand our first and foremost responsibility - to make sure that the public is safe.

The City, as other cities, has experienced a very challenging problem dealing with construction-site thefts of various types of scrap metal. Many homes have been vandalized and metal taken from air conditioners and plumbing from under houses. Because of this the City is coming forward at our next meeting with a Scrap Metal Ordinance which we hope will substantially reduce this type of crime.

During the past year we hired 44 new police officers and now have more police officers on the streets at this time than any time prior to 2003. We have added Special Operations Divisions, namely QUIET NIGHTS and OPERATION PHOENIX to deal with both the violent crime issue and the property crime issue and we continue to lease beds from Faulkner County, letting our police officers

determine which people need to be locked up regardless of whether the County accepts them or not. As many of you know, the County Jail issue is a very vexing problem, not only for the County but to me personally, relative to the fundamental division of responsibilities between local governments, I believe the City is responsible for the arrest of these individuals and the County is responsible for incarcerating these individuals. But until the County is able to adequately accept the number of criminals who need to be locked up, I am committed to doing whatever is necessary to continue to bring the crime rate down, including using your tax dollars to rent jail beds from other counties.

I hope you will join me in broadcasting to our community that we are making real and substantial progress in this regard.

Most importantly, last year we initiated a more aggressive Community Punishment Worker Program which has been very successful. Through December of 2007, over 4,180 individuals have participated in the program, contributing over 39,000 hours-worth of community service assistance to various city departments. These workers have been used in Housing & Neighborhood Programs, helping to clean up litter, cleaning trash and debris along rights-of-way, cleaning up illegal dumps and cutting weedlots. Our Little Rock District Courts have increased the number of people placed on our Community Punishment Worker Program, and through the first three months of this year we have had 612 community service workers who have worked for a total of nearly 9,500 hours.

I want you to know that our Police Department is one of the best in the nation. We recently received Re-Accreditation from the Commission on Accreditation for Law Enforcement Agencies (CALEA) in March of 2007, at which time the Department was awarded Flagship status which is a designation afforded to only premier law enforcement agencies and held out as a model that other agencies should seek when desiring accreditation. Congratulations to Chief Stuart Thomas and his leadership team.

I am pleased to announce that I will be proposing, along with the City Manager, short-term financing which will provide enough money along with the money which we have already allocated to construct our Mid-Town Police Substation on the site across the street from you to be done without a tax increase. If you will look across the street, you will see a dilapidated Safeway grocery store which we intend to turn into a state-of-the-art police substation. I am happy to show you a rendering of what this substation will look like and what benefit it will be to this community in terms of providing stability and a pride in this neighborhood which will help to spur neighborhood revitalization, as well as continue the revitalization of 12th Street. Ward 2 Director Richardson and I look forward to meeting with all of the neighborhood associations and stakeholders in this planning process designed to revitalize the 12th Street corridor.

I am also very proud of the hard work of our Little Rock Fire Department. During 2007 the Fire Department responded to nearly 25,000 calls for service, including fires and explosions, rescue and emergency medical care,

hazardous conditions, and natural disaster calls. Certainly, the recent tornadoes that hit various parts of Little Rock required the dedicated service of not only our Fire Department but our Police Department and our Public Works Department, who performed magnificently in helping the citizens of Little Rock. I appreciate those of you who have voiced your appreciation for how quickly our City responded to this emergency. Additionally, the Fire Department conducted approximately 300 fire-origin-and-cause investigations, conducted over 400 public education programs, and performed 1,980 inspections of various public buildings to ensure compliance with life and safety codes. During 2007, we opened a state-of-the-art Fire Training Academy and have acquired over 40 thermal-imaging cameras which have been placed in service on every Fire Department apparatus. These thermal-imaging cameras will definitely save lives.

ECONOMIC DEVELOPMENT

During the year 2007, the City of Little Rock very actively teamed up with the Little Rock Chamber of Commerce, the Metro Little Rock Alliance, as well as the Arkansas Economic Development Department, to aggressively promote Little Rock as the next great Southern city ripe for economic development opportunities.

I am pleased to report that during 2007 our collective leadership has resulted in a banner year, equivalent to a grand slam homerun in my estimation. The economic development projects landed by this team have

accounted for over 3,000 jobs with a payroll of nearly \$100,000,000 and capital investment through construction of \$400,000,000, which is more than any previous year ever on record.

On June 30, we announced the largest new manufacturing capital investment in the region's history when Welspun revealed its first phase plans to build a \$100,000,000 plant to produce tubular steel pipes for use in the oil and gas industry. A few weeks later that record was broken when LM Glasfiber, a Danish company, announced plans to build a \$150,000,000 facility and employ over 1,100 people, manufacturing blades for wind energies, which also includes the location of their North American headquarters here in Little Rock. Following on the heels of this announcement, Dessault Falcon Jet, our largest existing manufacturing employer, continued to set records with its employment by announcing two expansions totaling over 350 jobs and over \$30,000,000 in new capital investments. This was followed by Sage 5 Foods with a \$20,000,000 plant location and 200 new jobs, and AT&T's 175 internet support jobs and a \$4,000,000 new payroll. The City of Little Rock and its commissions were directly involved in providing not only leadership and support, but also financial contributions to make these things happen.

In addition to these projects, UAMS embarked on a \$400,000,000 capital construction project with the Cancer Research Center; Shackleford Crossing was developed to the tune of a \$100,000,000; the Richard Arnold U.S. Court House was completed for \$80,000,000; River Market Place broke ground - also an \$80,000,000 project; the Promenade at Chenal was another \$75,000,000

project; St. Vincent Health System began construction of an addition to the tune of \$47,000,000; 300 Third Street Condominiums were completed - a \$45,000,000 project; the Capital Hotel opened after a \$24,000,000 renovation, Central High Visitors Center opened - a \$6,000,000 project; as well as a new Comcast at \$6,000,000 - all totaling \$1,263,000,000. As you can see, when I say it was a grand slam homerun, I was not underestimating our success. It is this kind of aggressive activity that makes Little Rock a destination not only to come to visit, but to as well to become a corporate neighbor in our community.

COMMUNITY PROGRAMS

As you know, the City for several years has recognized that our most valuable asset is our people, particularly our young people. In keeping with this priority, we continue to allocate substantial financial resources directed toward prevention intervention and treatment programs for our youth. We have grown in our sophistication to ensure that these programs are neighborhood-based. During 2007, we have initiated renewed dialogue and cooperation with the Little Rock School District on developing more afterschool-based programs located at the schools. Likewise, our Community Programs Department has developed a formalized process for evaluating substance-abuse programs and neighborhood support centers to ensure that we are spending our money wisely.

I am very proud of our expanded Summer Jobs Alliance Program where we continue to partner with the private sector and the Chamber of Commerce .

Particularly, we will be providing jobs to over 400 young people this summer, giving them a valuable job and also instilling in them a sense of responsibility and the importance of education in obtaining a good job all measures of success for their future.

A part of this program this past year, one which has received little attention so far but is very important, was the development of a Youth Conservation Corps. This Corps, set up last summer as a collaborative effort between the Arkansas Game and Fish Commission, Audubon Arkansas, and our City Parks Department, employed 14 teenagers who were responsible for removing tons of floatable trash that had washed into the Fourche Bottoms from West Little Rock. These teenagers learned aspects of managing stream quality through their visits to, and work in, the Fourche Creek. They also built two canoe portage points, one at Benny Craig Park and one at Interstate Park. Today, we have a River Canoe Trail right in the heart of our City because of the hard work of our Youth Conservation Corps. This program will continue as part of our Summer Jobs Alliance Program this summer.

HOUSING & NEIGHBORHOODS

I chose this location for my second State of the City speech because of the importance of revitalizing our neighborhoods and using buildings such as the Willie Hinton Neighborhood Resource Center as an institutional magnet to build around and recreate neighborhood stability. These buildings are very important to neighborhood redevelopment. I envision several institutional

magnets like this throughout the Inner City, particularly South of I-630. They are vital to our City and the neighborhoods that surround them which unfortunately have seen a long period of neglect and decline. This should not be the status quo and the City Board of Directors along with myself are committed to reversing this trend. It makes consummate sense that, by reestablishing neighborhoods with the construction of infield properties and the rehabilitation of neglected properties, we will increase property values which in turn increases the tax money collected for our schools and also increases tax revenues to the City.

I must caution that this is long, hard and tedious work. It requires researching the title of every lot and every block surrounding the institutional magnets involved. Some of those magnets include Philander School College, the Dunbar Recreation Center and School, Arkansas Baptist College, Central High School, the Hinton Resource Center, Arkansas Children's Hospital, UAMS, UALR and the like.

I intend to bring forward to our Board of Directors a vehicle for creating a "revolving fund" which will allow us to acquire various properties so that they can be made available to the Land Bank Commission for redevelopment, both to non-profit organizations and individuals who wish to reinvest in these important neighborhoods and in the architectural fabric of our community. I intend for the City to recover its out-of-pocket expenses so the revolving fund can be replenished. During 2007 we provided \$300,000 in small forgivable loans for rehabilitation of homes that would be brought up to Code. We

provided \$340,000 in rental housing assistance of up to \$20,000 per unit for the rehabilitation of rental properties, this money to be matched by the owner/landlords. We made available for new construction or rehabilitation \$500,000, with these homes being sold to low or moderate income buyers, and provided \$300,000 through our Save-A-Home Program for the purchase of existing homes for rehabilitation or re-sale. Importantly, we partnered with a non-profit organization called "Worldchangers", who came in for ten days and rehabilitated 20 houses in Ward 6. It truly transformed the neighborhood. Additionally, in the area of Housing and Neighborhoods, we purchased and implemented comprehensive code enforcement management software, developed the ability to file complaints electronically. We have redeployed code officers to individual districts making sure they are cross-trained on all enforcement violations including premise rental and housing violations.

Our Housing & Neighborhood Programs Department also deals with Animal Services. As you know, we recently enacted the Dangerous Dog Ordinance, dealing with the difficult issue of pitbull ownership. We opened up a state-of-the-art Animal Village in 2007 and increased animal adoptions substantially. Most importantly, our Criminal Abatement Program continues to receive national recognition for its success in shutting down the scourge of nuisance properties where repeat criminal activities have led to the degradation of neighborhoods. In 2007, over 16 properties were referred to the Program for action to be taken against them. And, finally, with the implementation in 2007 of our 3-1-1 Program, the City received 79,470 calls for

service which is an average of 313 calls per work day. Over 55,000 of those dealt with solid waste requests. We are working very, very hard to respond to the needs of our citizens, particularly in the area of solid waste pickup and have reduced the number of days that it takes for us to pick up bulky items and those items that are left on our street rights-of-way.

PARKS & RECREATION

The next thing I would like to address is our Parks & Recreation Department and activities. As you know, the fiscal condition of the City is very, very tight. We have seen a substantial reduction in the amount of sales tax revenues to the City, as well as a very large reduction in utility franchise fees for the past year. This has made the issue of funding any capital improvements or capital expenses for the City extraordinarily difficult. So, in addition to coming forward with our short-term bond financing which we have traditionally done over the last several years, which funds police vehicles, fire engines and the like, I will be proposing to the Board of Directors the refunding of our existing 1998 Parks Revenue Bonds so that we may generate a new additional capital to put into improving our Parks. With the existence of favorable interest rates, this can be done without increasing our annual debt service payments. By refunding the existing Parks bonds we can acquire new capital for much needed improvements throughout our parks system. This will include a substantial amount of money to implement an action plan for improvements to War Memorial Park. It will include additional funds that were

committed and promised to the Zoo, money for the rehabilitation of the Rebsamen Tennis Center which used to be one of the finest tennis centers in the Southwest, and for the acquisition of additional park land for expansion of more recreational activities. Despite being limited in our capital resources, we have done quite a bit with not a lot of money. During the past year for those citizens and their pets, we have expanded the Dog Park at Murray Park and have received rave reviews over this expansion. We have committed funds and have developed plans for a pocket park downtown on Broadway in cooperation with the Housing Authority, which will include a dog park. We also have plans for a dog park at the Animal Village off of University Avenue. We also experienced yet again another successful marathon with increased attendance. Our attendance was up 14 per cent over last year and over 35 per cent in terms of those training for the run. Very shortly, we will be opening up the Junction Bridge, a collaborative arrangement with the County and the City of North Little Rock which will also include construction and additional development of the "Little Rock". Later on this month, we will also open up the Children's Adventure Playground in Riverfront Park. We will see the opening of the Game & Fish Commission's Nature Center and begin planning the Bill Clark Wetlands Park.

I am encouraged by the letter that I received recently from the Clinton Foundation concerning their commitment to redevelopment, as a pedestrian bike bridge, of the President's Bridge to the 21st Century, which will include the renovation of the Rock Island Bridge adjacent to the Clinton's Center. I

will be proposing that the City move forward to enter into an agreement, as called for in the Lease of the Park, so that timelines can be identified for its redevelopment. I want everyone to know how very excited I am about the National Trails Conference that will be coming to Little Rock in October of this year and, in a similar vein, I have been working in earnest on developing the best location for completion of the River Trail where the Medical Mile ends at the Union Pacific Bridge. I am very hopeful to unveil these plans as well in the near future.

The Little Rock Zoo is a wonderful amenity of the City, and indeed our state. I know many of you have had an opportunity to experience having dinner or lunch in the new restaurant, Café Africa -- being able to eat lunch or dinner in one of the big cat cages as opposed to being eaten, which is certainly a tremendous improvement. It is also a wonderful environment for hosting parties and special events. During this past year we also completed the restoration of the "Over the Jumps" Carousel which has been a great magnet attracting literally thousands of people back to the Zoo. There are also many new exhibits which have been created: the Lorakeet Exhibit and designing and planning for new Penguin and Cheetah exhibits. Importantly, our Zoo education curator has established new partnerships with Central High School and the Arkansas Science Teachers Association for development of scientific and educational programs in cooperation with the Zoo.

PLANNING & DEVELOPMENT

In the area of Planning and Development, we are excited to see that progress is being made on the redevelopment of the old University Mall site into Park Avenue - a mixed use project involving retail, residential and offices. It is definitely a wonderful improvement to Mid-town, thanks to the hard work and efforts of our Mid-town Advisory Committee who has provided the design overlay guidelines used in recognizing the multi-use nature of this district. Likewise, we are seeing a resurgence of planning and collaboration along the 12th Street Corridor which brings together not only the Mid-town Advisory Committee but the War Memorial Park committees, as well as the 12th Street Advisory Committee. Recognizing that 12th Street is a major East-West corridor, funding has been provided by both UAMS and the Central Arkansas Library System. I also have asked our Parks & Recreation Department to designate 12th Street as a bicycle corridor and we will soon be striping and identifying 12th Street for bicycle transportation. I mentioned the Central Arkansas Library System, which will be building a Children's Library on property off of Jonesboro Drive as part of the extension of War Memorial Park on the South side of I-630, and we are planning to bring Zoo exhibits and the Zoo expansion adjacent to the library and to extend our park into this wonderful section of the City. I think this is one of the most important things our City can do in bringing together the rich racial diversity of our City. As you know, we celebrated the Desegregation of Central High School in September of 2007. During that day I made the point that the desegregation of Central High in 1957

will always be a part of our history but it should not be part of our legacy. It is important for us to grow from the Central High experience and learn that the diversity of our City is one of our greatest strengths. I am committed to opening up the boundaries of economic opportunity through various minority business assistance programs. We have embarked on a minority assistance program for the construction industry and are continuing this process with other minority-owned businesses.

CONCLUSION

To be sure, we still have many challenges ahead.

Our focus will be on Public Safety, People, Property and Parks.

We will continue to work zealously and creatively to further reduce the crime rate in our City, and while we have decided on a temporary solution to the City's homeless problem, it is not enough. Despite the setbacks we have had thrown at us on finding a location, I am committed to finding a permanent home for a Homeless Day Shelter.

You will begin to see improvements in our neighborhoods as the City focuses our Land Bank Commission on neighborhood revitalization.

How we take care of our parks says a lot about how a city cares about the quality of life of its citizens. The Board of Directors and I are committed to improving our parks and are committed to acquiring more playing fields for our children - playing fields that are befitting of a great capital city.

I also intend to talk straight and honestly to our citizens about how tight our revenues sources are and let them know that while we can have all the wonderful plans in the world, major improvements in our City will require finding additional revenues - something we have not had over the last few years. The Board, the City Manager and I will scour the budget to make sure our operation is as lean as an Olympic marathon runner.

This Board of Directors as your leadership team, working together, can accomplish all of these things. If we work together and look out for each other, when we ask the people of this City to hold hands with us as partners in this endeavor, there is no question Little Rock will become the next Great American city in the South.

THANK YOU VERY MUCH FOR BEING HERE TODAY AND GOD BLESS YOU.
PLEASE JOIN ME INSIDE THE RESOURCE CENTER FOR A RECEPTION. THANK YOU
VERY MUCH FOR ATTENDING.