

Mayor Francis G. Slay

Changing Attitudes in City Government

Weidenbaum Center on the Economy, Government, and Public Policy
St. Louis Series
September 25, 2003

Thank you very much and good morning. First of all, it's a pleasure to be here. I am honored to be part of the St. Louis Series at Washington University's Weidenbaum Center. Washington University means a lot to St. Louis City and to the region. We are very proud to have an organization, an institution of this caliber, with the reputation of this university in the City of St. Louis and in the St. Louis region. It does a whole lot of things for our region — we could talk about that forever — but I really do appreciate everything that Washington University does.

I was just here last night with a delegation from China. I met with Stuart Greenbaum of the Olin School of Business. In fact, I met them once before. It was very clear from the beginning what they wanted us to do was to send a bunch of jobs and businesses and manufacturing to China. What I kept trying to discern was the benefit to the City of St. Louis. I think it's a good idea to try to pursue relationships with countries like China and see what we can do for economic development. It does need to be a two-way street and that is what I told them. We're going to probably continue to talk and see what it is the Chinese can bring to the City of St. Louis.

I am here to talk about the City of St. Louis. I appreciate your interest in the city. It is the center of this entire region. I don't think there is anyone who does not believe that the future of this region is tied to the city. If they think about it, it is absolutely true. I know that it is important that we have a strong central city in order to make this the region that it can be — to really reach its full potential. When I ran for Mayor, I knew that we had a lot of potential here. I

have lived here my entire life. I live in the same neighborhood that I grew up in. My family has been here for years. My grandfather and grandmother came over and settled here back in the late 1800s. My family has been involved in public service for a long time.

I knew that we could reach our potential and that we can make St. Louis a self-sufficient city, a self-sufficient economy, make it an economy that will stand on its own. I knew there was going to be a lot of work. I knew it was important that we brought in a good team. And there are a couple of team members here that I want to introduce. We have Rodney Crim, who is the director of the St. Louis Development Corporation for the City of St. Louis. We also have Otis Williams, who is with St. Louis Development as well. Across the board, I have an outstanding team. What we set out to do from the very beginning is to change attitudes about government, change the attitudes of people outside government about government, and also to change the attitudes of people within government about what we can do.

We've been making a lot of progress. Every day more people are moving into the city. More businesses are moving into the city. More people are starting to really appreciate the treasures the city has to offer — its rich diversity, both cultural diversity as well as its architectural diversity. We have older buildings, beautiful neighborhoods, a wonderful downtown that is getting a lot better. It is the second largest employment base anywhere in the Midwest next to Chicago — so we've got the density there that is good for a region. We want to have a 24/7-atmosphere downtown; a downtown that is really alive, one that people from all over the country will look at, recognize, and want to emulate. We are well on our way to doing that even with the tough economy. I am going to talk a little bit about that. But I knew that it was going to be difficult.

Because the way that government is set up, we are already operating at a disadvantage in a lot of ways compared to other regions around the country. Let me explain that. Our

boundaries were set in 1876 when the county and the city split. Unlike virtually every other city in America except for Baltimore, we have not been able to expand our boundaries. For example, Kansas City has 317 square miles. It is five times as large as the City of St. Louis. Our square mileage is 61 square miles. As people and jobs moved out of the central core, as they have all over the country, we lost that tax base. We lost the people, the jobs, and the business to the county and to the suburbs. As a result, we lost the huge population but kept a disproportionate share of the regional core that require additional services. We are trying to sustain that economy with a limited tax base. That is very difficult to do.

To make it even worse, we are a city not within a county, again like Baltimore. They have the same situation we have. What this means is that we have to provide a lot of services that other municipalities do not have to provide. For example, we are supporting a court system. We have our own state court system in the city. As you know, the county has its own court system out in St. Louis County. We have a civil court system. We also have our criminal justice system, our jails. We have our juvenile court. We also have a health department. We also have a fire department and a police department. A lot of other municipalities share fire districts — within a fire district. We have all these additional expenses that other municipalities don't have, again on a limited tax base. It is very difficult for us.

It is important for us that we don't try to do things on our own. It is important to us to reach out and build bridges, build partnerships both with the private sector and within other government agencies. But in order to do that, it is important that we change attitudes about city government itself.

When I took office, the first thing we did was to look at the city government structure. There is a move, as you may have read about, on the home rule, which is trying to make streamline government, make it more effective and efficient. But when I knew what I had to do,

I could not wait for the home rule effort to complete its task and see what ultimately happened. I knew I had to work within the current structure to make it more effective and more efficient. We went ahead and did that in a lot of different ways. We consolidated various functions.

I created — we actually created — for the first time an information and technology agency within the city government that's in charge of all technology within city government. We had an outmoded system. It was fragmented — one department couldn't communicate with the other. We couldn't engage in e-commerce like a lot of other cities were doing — paying parking tickets, applying for jobs, or getting business and building permits on line. That is something now that we are going to be able to do.

I can give you a lot of examples of the problems that we encountered when I took office. I'll try to keep those to a minimum. But just to give you an example, we had a technology director who reported to the budget director who reported to the Board of Estimate and Apportionment. The Board of Estimate and Apportionment is a board comprised of the Mayor, the President of the Board of Aldermen, and the Comptroller. So we really had no one in charge of technology. Because the budget director, as good a job as he does with the budget, knew nothing about technology. We had a technology director who wasn't really reporting to anybody who knew anything about technology. There was no oversight, no accountability, and any decisions that had to be made were made in a fragmented decision making structure.

What we were able to do, with a lot of resistance but ultimately got it passed, was create a new technology agency with a technology director who reports directly to the Mayor. Now I am in charge of technology. There is accountability. If there is a problem, the buck stops right here. We have been doing a lot of that within city government. We also have the technology person whose salary is partially paid by Civic Progress who is helping us lead an effort to expand and improve the technology infrastructure in the City of St. Louis so that we can attract

more businesses. They're working on the Wi-Fi effort. They are working on trying to create original exchange points here in the City of St. Louis. Those who know about technology understand what that all means, but it is like a hub of information technology comes through the city and it would be like having a big airport here, like a hub airport. That helps as far as attracting businesses that are now relying more and more on technology. So we are doing a lot of those things and I think we're making progress.

I have created a system in government we call City View. We borrowed it — or stole it — from Baltimore. Basically what it does is focus on identifying various performance indicators for every single department, then measuring the outcomes of various things that we are doing. In the past, city government wasn't measuring hardly anything. For example, now we are approaching 85 percent of business permits being given in one day — within one day you can get your business permit about 85 percent of the time. I asked what was it before because I know we have done a lot better in the last couple years. Nobody knew because nobody was really measuring things like that prior to my administration. It is important that we measure what we do. Anyone in business knows that. See whether or not we're doing it right. See what we can do to improve it.

But the City View focuses on accountability and results. We are result oriented. We have to get results. We call in the department heads on a regular, monthly basis. They come in and report various things that they are doing. I believe by the end of this year, we should have 100 percent of the departments in our city program. We started with four. We expanded, should have 100 percent of the departments in city government because they report to me. They have to demonstrate what they are doing, what progress, set goals, have a mission, all those other things. That did not exist in city government before. I knew it was important that we get government to be more effective and efficient so people can have more confidence in it.

One of the biggest complaints before I took office was that city government was not responsive to businesses. I knew that had to change. So we undertook an aggressive effort to start trying to — and I'm very much personally involved in this — create better relationships with the business community. I have monthly meetings with business organizations throughout St. Louis. We bring in the whole team of people from city government to talk about what we have available, how much we appreciate them being here. We try to also keep our ear to the ground in terms of what businesses are looking at expanding or possibly moving so we can address those needs before it is too late. We have been very aggressive with that.

I have been making personal visits with a lot of businesses in the city who are again looking at leaving or they have leases that are coming up. We have had a lot of successes. I had some, for example, and I can give you a number of them like Thompson Coburn — a law firm in town in the last couple years renewed its lease. We went out and talked to them about that. HOK just indicated that they are going to stay in the city, they are going to move but stay in the city. We are aggressively talking with other firms like Lathrop & Gage, another law firm, and I could keep going on and on. We made a big push to keep Solae, a company that used to be Protein Technologies, in the City of St. Louis. They were looking all over the Midwest for a site. They could move anywhere they wanted. The company is 72 percent owned by Dupont. First of all, we needed to sell St. Louis to them in terms of our commitment to life science and biotechnology, which really fits in well with what they are doing and they decided to stay here. So we are really making an aggressive push to pay attention to businesses. We have the Spirit of St. Louis Award. We have the very successful Annual Business Luncheon, where we give awards to various businesses for their long-term commitment to the City of St. Louis and we demonstrate our appreciation to the business community.

The other thing that I found in city government is that there was an attitude that government was not really in tune with what was going on in the broader community. When I took office and spoke to the Governor about some of the issues that I think are important in the state level, he said “Well, where’s Civic Progress on this, where’s the Regional Chamber and Growth Association (RCGA) on this, where is Downtown Partnership on this?” And what I said to him at the time was that we were going to get it all on board. This is where I am at and we are going to be working together.

Basically what we have been doing is building partnerships with various organizations that have a lot of influence. We’re really looking to do the same thing. But in the past, there was a disconnect between the city government and these other organizations. I am happy to report to you that we are all with the organizations that I talked about and a whole host of others, we are all heading in the right direction, the same direction.

I attend Regional Business Council (RBC) meetings and the RCGA, I’m part of that as well. Civic Progress — I go to their meetings and we coordinate our agenda on federal and state levels. Some of you look at a different focus overall working on the same thing. There’s really nothing that I can think of any major significance that we are not on the same wavelength with and working on the same priorities. That is very, very helpful, and they’ve been helpful to us as a result. When they see the government is working with them, they are also more willing to be helpful with various efforts that we’re working on, when they see that we have got a government that is really effective and can get things done.

For example, we have Proposition U, which is something that those of you that don’t live in the city may not know about. We wanted to restructure a tax that we had because it was bringing in a lot more money than we thought it would. It was supposed to be dedicated solely for energy, health care, and low-income housing. The money that came in was four times more

than we thought it was going to be. We thought it would be good, particularly in this tough budget year if we used some of the money for other things like public safety. An example is building demolitions. We ran out of building demolition money to help us assemble sites for redevelopment. We ran a campaign. We got some help from the business community — RBC, Regional Business Council, and Civic Progress — and we got it passed. The reason we got it passed is because we had a good plan in place, we provided the leadership to put together a good campaign, and we utilized the money they gave us very effectively and efficiently.

There are a number of other things I could talk about, but one that had got a lot of coverage in the news was on education, putting together an education coalition. That was a prime example of what can be accomplished when you reach out and try to bring people from different backgrounds and different people from all over the community together — business community, teachers, the institutions of higher learning were involved. We had the Black Leadership Roundtable, the clergy, teachers, parents, and labor at the table. We put together an effort to improve education, which included not only putting together a platform, but electing four candidates. Civic Progress and RBC had some good experiences with us in the past, so they were more than willing to come to the table and work with us and help us finance the campaign and get four wonderful people elected.

You all know what has happened. With all the problems they had — a \$90 million shortfall, closing 16 schools, laying off about 1,400 people, and facing a boycott by some activists — the new public school administration, headed by Bill Roberti, the new school board was able, with the help of community-wide support, to have the best first week in recent history in St. Louis Public Schools. They had more kids and more full-time teachers in the classroom for the first time in years. Believe this or not, under all these difficult conditions and the confusion, the books and the supplies were in the classrooms on the first day. So we had what

we believed to be a successful first week. By the next Monday, the high schools had 98 percent attendance. Nobody could remember the last time they had that much attendance in public schools anytime. So, we still have a lot of work to do in closing the achievement gap between black and white students and in improving the graduation rate and test scores, but this is a good start.

But I think it demonstrates once you start having these successes and you demonstrate to people that what we're doing is real and we're confident in things we are handling and we can find direction and leadership. More and more people are looking at city government in a different way in terms of their attitude. I think that's a good thing because if people have more confidence in government they will have more confidence in the city and be more likely to want to move here, move their business here, and work here.

We talk about the fragmented government, but you all understand that, don't need to get into that. That is what home rule is really trying to address. We have all these separate — they are called county offices and they're all separately elected. We have the Board of Estimate and Apportionment where if I want, for budgetary things or for major contracts, I have to go to the Board of Estimate and Apportionment to get approval and I have to go to the Board of Aldermen to get approval as well. So there is some fragmentation. The school system isn't under the Mayor's control, the Police Board isn't really under my control. I'm one member of the Police Board, although I have a wonderful relationship with Chief Joe Mokwa. He is doing a great job, so that is not a problem for my administration at this point, but it has been in the past. Mayors and police chiefs have fought and the police department is our biggest cost center. So when the mayors fight with the biggest cost center — about a third of our budget — it can create some real issues. But that has not been one for me, thanks to Joe Mokwa and the cooperation he has given us, particularly in these tough budget times.

It's important that we not only build relationships and change attitudes with the business community but also with the political community — our federal legislators and state legislators and state government. They are very important to what we are doing here. We have to have credibility when we go to them and we ask for special appropriations or if we try to defend some of the things we are doing or try to get funding for some of our efforts, again particularly in these tough budget years when everybody's fighting. And we've done a good job there.

Buzz Westfall and the St. Louis County Council have been wonderful partners with the city. I don't remember in recent history the last time the Mayor and the County Executive had this kind of relationship. It has been great because we can't do it ourselves. Buzz and I put together, pretty soon after I got into office with the Governor and private hospitals, a Regional Health Commission to look at how we can do a better job as a region providing health care to indigent people that are uninsured or underinsured. We are looking at some recommendations going out in the very near future in that regard. He has helped us in County Council with our efforts to build a ballpark, our airport expansion; I'll talk about that briefly if there are any questions, we'll get into that. He has helped us with our Metrolink expansion, convention center hotel funding, Washington Avenue streetscape improvement, and a whole bunch of other things where the county really plays a critical role in helping us get money and resources. He's been real good about that.

We just announced a joint effort for gaming operations on the Riverfront. We are soliciting bids and, although it's not necessary, we are welcoming joint proposals for city and county. Have one gaming operator put a boat in the city and the county so that we are not competing with each other, fighting over licenses, or competing over revenues. There is talk of potential revenue sharing in that regard. There's a concern that if they put one in the county it's going to take revenue from the city, and we all know that the agency offices are very

competitive. I thought it would be better if we try to work together rather than fighting. We don't know yet until we get the proposals. But it's the kind of thing we need to do.

The city is predominately Democrat but we're working well with our Republican senators. Kit Bond, particularly, has been a wonderful ally to the City of St. Louis. He has really brought home some big money to help the city in a big way. And I appreciate it, and yeah he's a Republican but I will tell you that we need him. He's in a very powerful position in Washington D.C. I think that for me as Mayor to ignore that is not going to serve my constituents well, to say the least.

I could talk about a lot of other things we're doing region wise as well, but first of all I'll talk about the airport quickly because it came up a little bit in the other room. That is a huge regional issue that is extremely important in terms of where we are going to be as a region in the future. I asked the Regional Business Council, the RCGA, and Civic Progress to put together a taskforce, an airport taskforce. There are 17 members. We got David Farrell out of retirement from May Company. He is a wonderful guy, a true leader knows how to run a meeting, I can tell you that. He is very highly respected. He is heading up the taskforce. They are bringing in industry analysts, experts, as well as financial people to take a look at the airport, what we want Lambert to look like, what we can do to make it look like that in the future so we can be as viable and as strong as we can possibly make it in the future to address the ever-changing landscape of the airline industry in the United States. And it is changing dramatically. It's probably going to continue to change dramatically for a while. We have some very top notch people in this region that are outside city government completely participating but they are doing the work and making the recommendations. What kind of airport do we want, will they look at the whole financing of the runway, and to study the runway that we have already spent about \$700 million on the runway out of a \$1.1 billion expansion. I'll also tell you that when I talked to

Herb Kellerer of Southwest Airlines, he said, “You need to build the runway if you want to remain competitive in the future because it’s all about trying to reduce the delays. Airlines don’t like delays because it costs them a lot of money.”

But it is going to be about how we pay for it. The reduced-load factors, and also the reduced number of flights, and the reduced weight of the planes — that all impacts the amount of revenue we get. The Colonel is telling us the money is there and that we are going to be able to pay for it. Colonel Leonard Griggs is my airport director. I hope to make sure we have somebody independent looking at this and making sure we’re making all the right decisions, what kind of airlines do we want there, what kind of fleet mix do we want, how can we impact all that in terms of how decisions are made.

These are all things that are very important and again, we can’t be doing it in a vacuum. We need to bring the community in and I think by doing that we build credibility and again we change attitudes about city government. So we’re being friendlier to business. We are creating some real momentum in the City of St. Louis that’s really catching on. More and more people now, I think it’s safe to say, have a much more positive and optimistic attitude about the future of the city now than they had just a few years ago.

There is more investment in neighborhoods throughout the city. There is investment in construction in the city, development in the city in neighborhoods that haven’t seen it in decades. It is a sign that confidence is building. Our crime is way, way down, particularly violent crime. There are a lot of things we could attribute that to but again it is team work, working with Chief Mokwa. Jennifer Joyce is doing a wonderful job as our prosecutor. Ray Grunder, a Republican over on the federal side, is taking a specific interest in the city because he knows how important that is for the overall crime outlook of the whole region. Scott Decker, University of Missouri St. Louis, is working with us; he’s a criminologist.

We are developing and implementing strategies so that we can focus on the real bad actors — there are a relatively small number of people committing a disproportionate number of the crimes. If you can focus on them you can really cut it down. But just to give you an example, on the homicide rate which is something everybody looks at, our homicides are down by over 50 percent over the last 2 years, cut in half, more than half, over the past 2 years. That is phenomenal. We're on pace for a 41-year low. There hasn't been less than a hundred homicides in the city since 1962. We're on pace for possibly less than 80. So that is really something to think about in the terms of the city as a kinder, gentler, and safer city now. Not to say that we don't have our issues and problems, particularly in pockets and I'm not saying everything's fine here — we have a lot of work to do. But we are making progress, we are getting people's attention, and I think we're building a tremendous amount of momentum.

I see a number of you that frequent the City of St. Louis. Some of you may not. For those of you that don't, I would invite you to come and see what is going on there. It would surprise a lot of people. Not only what's happening in downtown, but some of our neighborhoods. Our property values are going up all over the city. In my own neighborhood — and I don't live in St. Louis Hills or the Central West End — there are people that tell me that they bought their house six to eight years ago and that they could not afford to buy their own house now if they were out in the market. In some areas, property values are going up 40-50+ percent just within two years. That is phenomenal. Actually, our median home price in the city is going up much higher than it is in St. Louis County. Our new construction permits for homes are up.

I will just tell you that I am more confident than I have ever been before about the future of the city. We do have a tremendous amount of challenges. We can't meet them all on our own but we are changing attitudes. We are changing attitudes in government. People in

government see that we are making progress. I like to tell people that as long as the good guys are winning, this is fun stuff. What I mean by that is that as long as we're making progress, as long as we're achieving measurable successes, it's a lot of fun. If that ever stops and I don't think it will, it's going to keep going, then it's no fun anymore, it's not worth it, it's too much work. But it's working and we're making progress, the good guys are winning and we're moving forward.

I want to thank all of you and I see a number of you who are really helpful in terms of what we're doing in the City of St. Louis. A lot of you frequent the city whether you go to the Symphony, Fox Theatre, Forest Park, or the Art Museum. When you think about it, we have a wealth of assets that, on a per capita basis, is unparalleled in any city in the country. If you look at our cultural, entertainment attractions, our historic buildings, our neighborhoods, our central location, all the things that we have going for us, I think we're much better off than other regions. We are going to reach our full potential. We're well on our way. We still have a lot of work to do, but I can tell you that I am having fun. I have a great team. The people of St. Louis are well served by the people who are working in my staff.

Thank you all for your interest and if there are any questions, I would be happy to answer them.

Francis G. Slay is the 45th Mayor of the City of St. Louis, sworn into office on April 17, 2001. He began his public service when he was elected to the St. Louis Board of Aldermen to represent the City's 23rd Ward. He was elected President of the Board of Aldermen in 1995 and was re-elected to that position in 1999.