



THE UNITED STATES CONFERENCE OF MAYORS

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The Honorable Elizabeth B. Kautz
Mayor of Burnsville, Minnesota
68th President of The U.S. Conference of Mayors
Inaugural Address
January 5, 2010

Good morning, and welcome to Burnsville! I am so happy that so many of you - family, friends, and colleagues could be here today to celebrate this event with me.

Thank you Pastor Joe Braucht for offering the invocation, and Johanna Hanssen, Hannah Hanssen, Chris Hanssen, Zach Biggar for leading us in the National Anthem, and to the The Burnsville High School 'Free Style Singers' for the outstanding musical performance. Let's give them all another round of applause.

The USCM President is typically inaugurated at our Annual Conference in June - and for me, that would have happened this coming June in Oklahoma City. I am grateful to Tom Cochran, CEO & Executive Director of the US Conference of Mayors, and to his staff for traveling to Burnsville to perform my early installation as the 68th President of the Conference and for hosting this event.

This early inauguration day in January is one of mixed emotions. Regrettably, it happens because the voters of Seattle chose not to return our Past President, Greg Nickels, to office in last fall's election.

Mayor Nickels is a valued colleague, a visionary leader of America's mayors, and a friend. During his tenure he led the way on local action to address climate protection, inviting over 1,000 mayors to sign the USCM Climate Protection Agreement. As the new President, I will finish Mayor Nickel's agenda and continue to serve as the face of America's mayors on this national and international priority of Climate Protection.

This January transition of leadership has however, created two unique and wonderful opportunities for me. First, it permits me the luxury of having more time to develop my own presidential focus, which is strengthening our metropolitan economies.

Second, it means that my inauguration takes place right here in Burnsville, and that many of you who have made this day possible through your support over the years, can be a part of this special occasion. Thank you for coming to celebrate with me, because this honor also rightfully belongs to you. I would love to thank each and every one of you by name, please know that. But time permits only a few individual and group acknowledgements.

First, I want to acknowledge my husband, David, for his support, understanding of my mission to serve, and his love for me. Thank you, David.

Second, to our Burnsville residents and businesses whose support has allowed me to serve as your mayor for 14 years, thank you! I am continuously humbled by your confidence in me, and will always do my best for you and our community.

Third, thank you to my friend Tom Cochran CEO & Executive Director of USCM for his encouragement, leadership and vision. We make a great team and together we will do great things for America's cities and Mayors over the next 18 months. I value his experience, and even more than that, his willingness to take calculated risks that lead to major achievements.

Now, let me look forward for a few minutes to my Presidency of the U.S. Conference of Mayors during the next 18 months.

The news today is inundated with stories about how the economic recession is taking a terrible toll on our citizens, our businesses, and our city budgets. These are real challenges that mayors across the nation struggle to address. But there is another, and more hopeful side to our cities and our metropolitan areas. With change our paradigms are reset and we can look at these challenges as opportunities.

Ten years ago, the Conference of Mayors joined with Global Insight to issue metropolitan economic reports which factually documented the economic output of our nation's 362 metropolitan areas. Please reflect, for a moment, on these numbers from our most recent update of that report: 86 percent of all jobs, and 90 percent of the nation's labor income and gross domestic product are generated in those 362 metropolitan areas. Of the world's largest 100 economies, 40 are U.S. metropolitan areas!

Legally, we are a nation of states within a federal system. But economically, we function as a conglomeration of metro economies that are powerhouses not just within the U.S., but within the global marketplace.

Minneapolis-St Paul is the 14th largest regional economy in the United States, with a Gross Metropolitan Product of around 188 billion dollars annually. We are the engine of our state economy, representing about 70 percent of Minnesota's economic output.

If Minneapolis-St Paul were a nation it would rank as the 52nd largest economy in the world, larger than the national economies of Malaysia, Chile, Israel, or the Philippines.

As we work to create jobs and emerge from this economic recession, the simple fact is that we will only achieve lasting success by focusing on those metropolitan economies. We must honestly discuss the kind of policies and investments that are needed for them to thrive in the modern world economy.

We live in an age of intense global competition. When I was recently in Brussels I learned that General Electric, that venerable US industrial giant of the 20th century, now has 25 percent of its business portfolio in green technologies. But only ¼ of its 400,000 jobs are located in the United States. The rest are in Europe, Asia, South America and other parts of the globe.

I am proud of our own Goodrich Industries and Frontier Communications who are retaining and growing jobs here in Burnsville.

Now I believe in free trade and wouldn't begrudge any other country its part of the economic pie. But my point is that we mayors have to work to create regionally-based economies that enable our country, our businesses, and all of our citizens to prosper, flourish, and achieve their dreams in this competitive age.

We also know that we need to partner and leverage our resources.

In 1995 the mayors of the Minneapolis-St. Paul region first came together to address the housing issue. We were successful in persuading the legislature to pass the Livable Communities Act of 1996, which helped us to create a more diversified housing stock in our region and communities. Then in 2004, I along with Karen Anderson, former mayor of Minnetonka, and Caren Dewar, Executive Director for the Urban Land Institute, created the Metropolitan Regional Council of Mayors. Our initial efforts in the Regional Council of Mayors were to address the housing, infrastructure and the economic development needs of our area. Later the mayors took a proactive role in pressing for passage of transportation legislation that led to more funding for our roads, bridges, and transit systems.

We are now pulling together to advance an even more sophisticated regional economic development strategy. We started by taking a hard look at the economy of the Minneapolis-St Paul area and learned that, compared to other regions, we have some real challenges in terms of our weather and the overall cost of labor. But we also have key advantages. We have an exceptionally skilled and intelligent workforce. And we have the quality-of-life amenities that make that skilled workforce want to continue to live here and businesses choose to locate here.

We then agreed that our time and energy would best be spent working on strengthening three key business clusters in which the Minneapolis-St. Paul region already excels and they are: medical devices, financial services, and retail product distribution.

Based on that work, we have recently been selected by the Brookings Institute and RW Ventures as a pilot site to develop one of three model Metropolitan Business Plans. The plan will clearly serve the Minneapolis-St. Paul region. And Brookings will use it as a model for other regions on 21st century metropolitan economic development strategies. It will also point the way for federal investment policies that better support regional economies.

Twin Cities mayors are also partnering and leveraging our resources with the corporate sector to address the key fundamentals that will keep our region economically viable and vibrant. The Regional Council of Mayors has joined with the corporate-based Itasca Project Partnership to create a new Jobs Task Force. I am proud to serve on this Jobs Task Force that is led by Marilyn Carlson Nelson, Chairman of Carlson Companies and Ken Powell, Chairman & CEO of General Mills; the Task Force is charged with the mission to retain, create and attract new jobs to our region.

Mayors and corporate leaders have come to realize, more than we ever thought possible, that we are indeed in this together. If there is a lack of business investment and political support there won't be good jobs, nor will there be the revenue to support public services. But without cities and the rest of the public sector doing our part and doing it well, we will lack the infrastructure, skilled workforce, and lifestyle amenities that businesses need to succeed.

Burnsville, like all cities in the region, will benefit from this spirit of cooperation. For example, through our own economic analysis we know that Burnsville is already strong in medical services and medical technology. By cooperating across municipal boundaries and across business sectors to make the Minneapolis-St. Paul region more attractive for business in general, and for medical services in particular, Burnsville will enjoy its own job growth and economic vitality.

This is where critical support from our federal and state governments comes in. If we accept the fact that American cities must compete with cities across the world, then we also have to accept the fact that cities and the nation must invest in the modern infrastructure that businesses need to compete and thrive. For far too long our nation has ignored that infrastructure.

The roads and transit systems that move goods and workers in the metropolitan areas are inadequate and ignored. And our education system, while outstanding for many students, is leaving others unprepared for work in the 21st century.

As government and the private sector work together to emerge from this recession and rebuild our economy, we must develop a bold vision for what our cities and metropolitan economic engines will look like in the coming decades.

We must innovate together. We need to harness the energy of the private sector to find more efficient ways to rebuild our infrastructure. And we need to grow a green economy that reduces both carbon emissions and our reliance on foreign oil. And we need policies that will help our businesses to succeed in this new economy.

That is why the US Conference of Mayors conceived a new Energy Block Grant program, funded under the stimulus bill, to help implement specific energy saving initiatives, empower individuals, leverage private sector investment in new technologies, and create green jobs for the modern economy.

But much more legislative work is needed, especially at the federal level.

During my first months as President of the US Conference of Mayors, we know we will be focused on three federal priority issues.

First, we will continue to push the Congress to enact meaningful energy and climate legislation and fight to make sure that it continues to support the Energy Block Grant program.

Second, we will work to build a broad coalition for a new sustainable transportation policy that invests in metropolitan economies. Our nation's surface transportation law is about to expire, and this time, it must be written in a way that supports smart, sustainable transportation investments directly in the metro areas, and does not simply send the majority of funding through the states. Our economy depends on this. Our businesses and commuters depend on this. And our environment depends on this.

We must also address a world-class broadband communications infrastructure. Every American, regardless of income or location, must be connected to the broadband revolution.

Third, we will focus on creating jobs for all the unemployed and underemployed Americans that are so desperate to work and be a part of the American dream. The U. S. House has passed an important Jobs Package that contains many of the mayor's priorities. But our leadership will be needed over the next month to make sure that the Senate also acts, and that the final bill supports the right investments to strengthen our metro economies.

As President I will speak with a strong voice to support strong metropolitan economies. The US Conference of Mayors can serve as a platform to create sound advice for mayors, and as a catalyst for federal policies that better support the economic vitality of our cities, regions and country.

Working with USCM and local staff, I will take these early extra months I've been given as President to further develop and refine these ideas. By the time we arrive at the USCM annual conference in June my goal is to be able to submit to my colleagues a specific plan of action for how America's mayors - in partnership with business leaders and CEOs - can deepen our research on the value of the metropolitan economies and broaden our coalition in support of federal investment policies that will strengthen those economies.

Finally, what does my serving as President of The U.S. Conference of Mayors mean for Burnsville? It means that Burnsville will have a significant voice, presence and influence. It means that Burnsville will come to be known on the national and international stage. And my prayer and hope is that because of Burnsville's recognition on the national & international stage Burnsville will be identified as a great city for companies to locate and do business in, as we attract and create new jobs. It also means that our existing businesses will benefit from the new investments that will be attracted to Burnsville.

Burnsville can be assured that I will always put Burnsville first. I am grateful and humbled to take on this mantle and pledge to do my best to make our City, our Region and our State proud, as I serve as President of America's Mayors.

Again, thank you for being here during this very special occasion in my journey through life and for Burnsville. I hope that you will all feel very much a part of my Presidency of The US Conference of Mayors, and I look forward to the support I am going to need from each of you.

God bless Burnsville! And God Bless America!