



**Remarks of Mayor Thomas M. Menino
President of the United States Conference of Mayors
United States Chamber of Commerce
Pasadena, California
July 29, 2002**

(as prepared for delivery)

I want to thank the United States Chamber of Commerce for inviting me to speak to you today. Last month, your CEO, Tom Donahue, spoke to the Conference of Mayors and mayors are still talking about it.

Why, because he talked to us straight and he told us the truth.

Thanks, Tom.

We were very pleased that Tom Donahue joined us because it marks a new day in the relationship between the business community and mayors. It begins an effort to take the common ground that we have established with business leaders in our cities and turn it into shared purpose at the national level.

Today, on behalf of the United States Conference of Mayors, I want to personally reach out to you and ask you to be a partner with us.

For the past few years, the Conference has had a Business Council, made up of some of the top businesses in the country that work with city governments.

I am working with the leadership of the Business Council to involve them even more in the Conference's national agenda. They will be joining us in Washington, D.C. on September 26, which we have designated as "Lobby Day" for our nation's mayors.

We will be in Washington to focus on two major priorities -- homeland security and economic security.

Since September 11, the job of mayor has changed, and we now operate on those two tracks. We work to keep our cities secure and safe for those who live and work there. And we work to build a better economic future for the working families of our cities.

So we will be working on one hand to ensure that the \$3.5 billion that the President earmarked for communities actually gets there. Right now, we're still waiting for our first penny and we're concerned that the money ends up in state bureaucracies rather than in local police departments, local firefighters, and local emergency medical technicians.

On the other "track", we will be pushing for the needed investments in our cities that cause businesses to locate there -- strong infrastructure, good schools and housing that working families can afford.

In addition to the Business Council, mayors will be reaching out to their Chamber leaders to ask them to join us in Washington on September 26. So when your mayor calls, book that airline ticket, and help us fight for strong families and strong cities.

I hope that we'll see a number of local Chamber leaders because I know you've worked with your mayors on a number of issues. I want to talk for a minute about my experiences in Boston.

I am very proud of the public-private partnerships that we have built in Boston, particularly in the area of education. Without the private sector, we would not have been the first large city in the country fully wired to the Internet.

We would never have been able to match a major challenge grant from the Annenberg Foundation for education reform. And we would not have defeated a referendum that would have restored the chaotic elected school committee.

At the same time, we in city government have become more business friendly.

We started a citywide Main Streets program to help small businesses in our neighborhoods. We created one of the most successful urban shopping centers at the South Bay Mall and then welcomed a dozen additional supermarkets.

Now, we have a new program called "Backstreets", that works with the light industrial and back office firms that produce so many jobs in cities across America. Last week, I hosted the Conference of Mayors' leadership in Boston and we visited a very successful seafood processing plant that we worked to keep in the city.

We also opened our doors to major economic development -- just ask Chris Jeffries of Millennium Partners.

They have built a significant new project in Boston's downtown with a new Ritz Carlton, a Reebok Fitness Center, a sixteen-screen movie theatre and several new restaurants.

It took us just 8 months to get this project through city reviews and ready to break ground. So don't say that cities today aren't business-friendly, the mayors I know are ready and willing to get the job done!

We are also partnering with the private sector to meet their workforce development needs. A major part of our local economy is our health care sector.

At any time, most of our major hospitals are looking for trained personnel. So we have a program with our hospitals called "Ladders of Opportunity" to train residents of nearby neighborhoods as radiologists and technicians. It's good for the hospitals, good for the neighborhoods to have stable breadwinners and good for the whole city.

Many of these partnerships would not be possible without the leadership of our local Chamber of Commerce. The President of our Chamber, Paul Guzzi, has been our partner from day one.

We talk to each other several times a week. We cooperate on state and local legislation. We promote our city whenever possible. And we collaborate on a program called "City to City", which encourages business and community leaders travel to other cities to learn some of their best practices.

Recently, the Greater Boston Chamber of Commerce took on a new issue --one that I believe is becoming a national issue -- housing for their workforce.

Our Chamber knows that in order to attract businesses and skilled workers, we need more reasonably priced housing. So the Chamber has been a strong advocate for a state housing bond bill and they have partnered with Fannie Mae to recruit companies willing to participate in an employer-assisted housing program.

One of the first companies to move forward with this initiative is Citizens Bank, and I hope that more firms in Boston and nationally will recognize the value of helping their employees achieve the American Dream of homeownership.

As the new President of the Conference, I have made housing my top priority. In May, I hosted a National Housing Summit that endorsed a sensible package of initiatives to preserve the housing we have, and produce the housing we need.

We endorsed the President's homeownership tax credit, as well as the National Housing Trust legislation now pending in Congress. We called on Washington to provide incentives for more employer-assisted housing and we looked at special needs populations -- the homeless, the disabled and the elderly -- and recommended strategies to address their particular needs.

I believe that housing is key to our nation's economic prosperity. Housing construction creates jobs for the people who build the housing--as

well as the banker who writes the mortgage, the real estate broker who sells the house, appliance companies, furniture companies -- everybody wins!

So I ask you to join our partnership for workforce housing. We have been reaching out to many organizations -- from the building trades to public health advocates to one of the strongest lobbies in Washington -- the AARP! I am also asking them to join us in Washington on September 26 as well. Good housing is good business and I hope we can all find common purpose around this issue.

Another issue where I hope we can work together is workforce development.

We all know that for most Americans, the days of employment at one company for all of their life is over. Many people will need new skills and retraining. In the Northeast, many jobs are being filled by immigrants, some of who had advanced degrees in their old country, which aren't recognized here. They need English as a Second Language training, in order to be productive workers for many firms that need them.

Recently, Congress and the President agreed to cut \$400 million from dislocated workers programs.

I believe that to be shortsighted, especially given our current economic problems. America's future depends on a highly skilled workforce, the best in the world. I ask you to work with us to ensure that our nation's workforce development system receives the necessary support.

And while we are focusing on American workers, here's an easy way for businesses to put more money into the pockets of some of their employees -- help them sign up for the Earned Income Tax Credit.

After a study by the Brookings Institute found that there was over \$9 million in unclaimed credits in Boston, I launched a campaign to reach out to people and bring those dollars back home. In one year, the number of filings went up by 18 percent! And those are dollars that we know will be spent locally.

Now we are going to take this model to a national level. The Conference of Mayors will be partnering with the Annie E. Casey

Foundation to launch similar efforts in cities all around the country. Join us, and help build the purchasing power of your employees and the economy of your cities.

I also want to call your attention to a report that we recently issued on the state of our metropolitan economies. To demonstrate the important role cities play in our national economy, the United States Conference of Mayors created a new economic measurement called "Gross Metropolitan Product", or GMP.

We always knew that cities made a significant economic contribution to our nation, but we did not know their real power and influence until we calculated their economic output.

In Madison, this last June, I released the GMP numbers for 319 US Metro areas. Even in a year of slow economic growth, the numbers were staggering!

Over 90% of the new jobs in the year 2000 were created in our cities and over 86% of our gross domestic product was generated by those same cities.

What this tells us is, that our cities are the economic engines of the American economy and if we are to remain strong we must develop national policies that continue to make our cities productive.

Combined, the ten largest metro areas in the nation exceed the economic output of thirty one (31) states taken together. Until The Conference of Mayors created GMP, we could not explain to the American public and American business how vital we were to the US economy.

Now we can!

And we would invite the U.S. Chamber of Commerce, and your individual members, to join forces with us in taking this message to the American people: that to ensure the future growth of our economy we must ensure the future growth of our cities.

As cities go, so goes the nation!

So we hope that you will work with us to develop sound policies in the areas of housing, workforce development, education and public safety, to help foster future economic growth.

Finally, let me leave you with one startling set of numbers.

US metro areas are not only strong nationally, but play a central role in the world economy.

If US metro areas were nations, they would comprise 48 out of 100 of the largest economies in the world.

Boston, for example, is the world's 22nd largest economy, ranking ahead of Switzerland and Belgium. New York is ranked 13th; Los Angeles 15th, and Chicago 18th.

This means that Mayors are not only national leaders, but are emerging leaders on the world scene and in the global market place.

So we hope you will join us and be part of this new movement that acknowledges the important role cities play. We are good partners locally, now we want to be your partners nationally.

Again, thank you for the invitation. I'll be happy to answer your questions.