



The United States Conference of Mayors

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**Remarks by U.S. Conference of Mayors President, Long Beach, CA
Mayor Beverly O'Neill
at the
National Press Club Luncheon
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I want to thank you for your kind introduction and the invitation to speak before you.

As President of the U. S. Conference of Mayors, representing cities around this country, I am honored to be here today. I want to again acknowledge our Executive Director, Tom Cochran.

When I became the President of the U.S. Conference of Mayors last June, I chose as a theme for my year, “**Cities for a Strong America**”, focusing on various areas such as: energy and the environment, transportation, infrastructure, workforce and the skills gap, poverty, and gangs.

I wanted to draw the nation’s attention to the importance of cities in our national economy. I wanted to stress how the economic health of our nation depends on the economic health of our cities.

Metro Economies - which are made up of cities and suburbs - are critical to the overall national economy. According to the Conference of Mayor’s most recent study by Global Insight, one of the nation’s leading economic forecasting firms, Metro Economies are responsible for 86% or \$10.7 trillion in Gross Domestic output and 85% of the nation’s jobs and income.

For example:

- If the Los Angeles-Long Beach area were a nation, we would be the 18th largest economy in the world, producing \$581 billion annually.
- The Chicago metro area would be the 19th largest economy in the world, producing \$392.6 billion annually. That means that Chicago’s metro economy is bigger than Switzerland, Belgium, Sweden, Taiwan, Turkey, and Austria.

- And, if all of the U.S. Metro Economies were considered nations, **42** of the largest 100 economies would be right here in the United States.

So as you can see, Metro Economies are essential to the prosperity and continued health of our nation. It is a story that we must continue to tell. We must also be aware that the population in our country is shifting and that more than half of all Americans now live in one of 39 metropolitan areas.

The Conference of Mayors' Metro Economy reports prove beyond a shadow of a doubt the impact that cities and counties, together, have on the well-being of our nation.

I believe that the types of examples, that I just gave, make our case to our state and federal government regarding the importance of providing resources and tools to our nation's Metro Economies. It is not a handout; it is a wise investment.

It is similar to a CEO deciding where to invest his company's resources. Do they ignore their most productive business and not invest in it? No, they give that productive business the tools they need to remain or even increase their productivity.

This is not like in the olden days when cities would come before Congress and the Administration asking for assistance, or as they used to say with our "tin cup" begging for money.

We approach Congress looking for resources and ways to assist us in our efforts to do business more effectively and efficiently.

And if Congress is not willing to invest, then they should give us the tools we need to make it happen for ourselves.

We know that our communities are vital, thriving areas of commerce and residential living. The nation's mayors are proud of their cities and we continually strive to make our communities the best possible places to live and work.

So I began my year as President of the U.S. Conference of Mayors committed to sharing this message in a series of "summits" around the country promoting our "Cities for a Strong America" agenda.

But a short time later, I could never have anticipated that one of America's most celebrated cities, New Orleans, and the Gulf Coast would be hit by the most devastating natural disaster this country has ever seen.

And as we approach the beginning of another hurricane season, one thing is for certain, we are going to have to be creative if we are going to remain a strong and vibrant country especially in the wake of Hurricane Katrina.

The devastation in the Gulf Coast area, which I was able to witness firsthand, is like nothing I have seen before. The Conference of Mayors is committed to that region and will do what we can do to assist those communities.

At first I thought Hurricanes Katrina, Rita and Wilma would force me to completely shift my focus for the year, but ironically, the devastation of these hurricanes revealed some things about our country's overall condition that really underscored the theme of my year.

Hurricane Katrina exposed some truths about this country that we must all face.

When the world watched New Orleans, and Biloxi, and Gulfport and numerous other cities suffer in such a tragic way immediately following the storm, as mayors, we could not ignore what we saw, because what we saw were fellow mayors pleading for help.

We saw ourselves in his shoes in our own unnamed disaster that could easily strike any one of our cities.

In spite of this tragic devastation, we can still see the potential opportunity that now presents itself; and that is the need to reinvest in and rebuild that community.

Before Katrina, New Orleans' Metro Economy of \$49 billion was a powerhouse for Louisiana, representing over 30 percent of the State's Gross Product. It's no question that region must be rebuilt and the nation must help in the process.

This tragedy also shed light on the fact that this country – in so many ways – **needs to reinvest in itself and be rebuilt.**

Which begs the question - **are we truly a strong America?**

We know that America can not truly be strong unless people get the help they fully deserve; unless issues like poverty, infrastructure investment, effective transportation, and energy conservation are really addressed over the long-term.

These issues aren't always sexy and do not always command media attention or grab the headlines, but that does not make them any less important to America's health and overall well-being.

I am here today to tell you that it is imperative and critical that, as a nation, we must wake up and pay attention to all that ails us. Yes, we must rebuild the Gulf Coast cities, but in fact, **we must rebuild America.**

Energy:

Without a doubt, a key component to keeping our economic engines running is reliable and cost-efficient energy sources.

Over the past several months, energy costs and its impact on transportation has been on the front cover of national newspapers and the lead story for nightly news.

The media is calling it the "pain at the pump", and yes, we are all feeling it.

Not so long ago, the average cost of gasoline was less than \$1.20 a gallon. Following Hurricanes Katrina and Rita, we saw gas prices spike to over \$3.00 a gallon. And experts believe that another serious disruption could push gas prices to **\$4.00** a gallon!

Just last week, the Conference of Mayors held a National Summit on Energy and Environment in Chicago with my good friend, Mayor Richard Daley.

We brought approximately 40 mayors together with energy and environment experts, and the business community to sound a national alarm about record level gas prices, rising fuel costs and this energy crisis that we are all experiencing.

When energy prices go up – whether it is the energy to heat and cool our homes, run a business, or fuel our vehicles – it has a huge impact on our local and national economies.

We need to face the harsh reality that we can't keep on doing things the same way we've always done them. We need to be more energy independent, energy efficient, and diversify our energy portfolio.

Mayors are dealing with this energy crisis on the local level. We cannot wait on the federal government; **we must do what mayors do best and act now.**

This crisis is affecting working families in every city. The people in our communities are making real financial decisions as they deal with the ripple effect of this crisis in our country.

Rising gas prices are not just affecting working families; they are also severely impacting and straining city budgets. Mayors across the nation are evaluating transportation alternatives such as hybrids, plug-in hybrids, ethanol, natural gas, biodiesel, and propane to meet these new demands.

In addition, mayors are addressing the tremendous amounts of energy used in homes and commercial buildings. For example, mayors are working with partners such as the nation's architects to promote green buildings that are designed to use half the fossil-fuel energy that current buildings use.

By doing this, we will help save money for homeowners and businesses, and protect the environment.

Mayors are not sitting idly by waiting for the federal government to move. Many cities have already implemented innovative programs that provide best-practices as short-term solutions to our nation's energy and environmental challenges.

At our Energy Summit last week, the Conference released a "**Best-Practices**" guide illustrating how many mayors are dealing with this crisis on the local level.

At our Annual Meeting in June, we will release an "**Energy/Environment Conservation Action Agenda**" that will outline a national strategy to encourage energy efficiency, conservation, and alternative power sources.

The nation's mayors heard President Bush declare that America is "addicted to oil," and the Conference of Mayors is on the forefront of a national effort to engage mayors, industry experts and the private sector to find comprehensive, long-term solutions to move the country from this energy crisis toward energy independence.

Transportation:

Another area that I wanted to focus on during my year as President is the area of transportation investment.

Last fall, we brought together Mayors and key public and private officials for a Transportation Investment Summit in Denver to discuss significant transportation challenges confronting our cities and suburbs, including the need for much greater investment in public transportation, as well as, airports, ports, and rails.

With escalating gas prices, it is time for this country to be committed to investing in public transportation. Across this nation, people are discovering that public transit provides an affordable, comfortable, and energy-efficient way to get to work and reduce the impact of high gas prices.

Since the early 1970's, Mayors have said that the increased use of public transportation is one of the most effective ways to reduce America's energy consumption.

In fact, if Americans used public transportation at the same rate as Europeans – for roughly 10 percent of their daily travel needs – the United States would reduce its dependence on imported oil by more than 40 percent.

Public transportation also promotes energy independence.

Last August, at \$286 billion, Congress enacted the largest transportation program in our nation's history. Yet, with most of the money going to state highway projects, public transportation investment will not meet the needs for mass transit in this country.

Today, we are calling on Congress and the Administration to invest in a national initiative for a substantial and rapid expansion of public transportation in our cities and suburbs.

Additionally, transportation security in this country must also be maintained in the air and on the rails, highways, and waterways.

This critical investment need is even more apparent following the increasing number of terror attacks on bus and rail systems worldwide, and in the aftermath of the hurricanes.

With more than 9.7 billion trips logged on the nation's public transportation system in 2005, securing this critical infrastructure and protecting riders from potential terrorist attacks remains a high priority for mayors, public safety officials, and first responders.

We must commit to working with the Administration, Congress and state leaders nationwide to make sure that our citizens can get on a bus, step onto a train, and go to work knowing that everything that can be done to keep them safe - is being done.

Infrastructure:

As we continue this discussion about reinvesting and rebuilding, we have to look seriously at the infrastructure in this country.

We all know now that the New Orleans levees were found to be insufficiently built to withstand strong hurricane-force winds. The levee breach in California a few months ago caused serious flooding in that region. And just last week we saw flooding caused by high water levels in New England.

The Conference of Mayors joined with the American Society of Civil Engineers last year to release their latest report card for America's Infrastructure.

Traffic congestion and overcrowded schools are daily reminders that the nation's aging infrastructure is struggling to meet the needs of its growing population and directly affects our economy and quality of life.

The 2005 Report Card for America's Infrastructure, which examined the condition of our nation's roads, bridges, schools, transit, rail, aviation, drinking water, public parks and recreation, security and energy, wastewater, and dams, and other areas, gave the country a cumulative grade of "D".

And the Conference of Mayors' 2005 Urban Water Resources Survey revealed that 35% of the 414 cities surveyed will not have an adequate water supply in 20 years. This statistic is an alarming reminder that reinvestment in domestic infrastructure is at a critical crossroad.

The question is – are we going to improve America's infrastructure by investing in these areas, or are we going to continue rebuilding other countries and watch our infrastructure needs slide to a failing grade?

Poverty:

As I mentioned earlier, Hurricane Katrina forced us to face some real truths about the overall condition of this country.

This devastation unmasked a hidden problem not only in New Orleans, but in this country – and that is the issue of poverty and the plight of the working poor.

You don't need to go to New Orleans to understand poverty in this country; just go to South Los Angeles, the Southside of Chicago, or go to South Bronx, or Southeast D.C.

Poverty is all around us, yet no one wants to look at it square in the face. We cannot ignore a poverty index that, unrealistically, says that a family of four can live on \$20,000 in this country; nor can we ignore the fact that 3 ½ million men, women, and children are homeless in this country.

And our American families need our help to build a strong economy with strong wages.

In January the Conference documented that there was a 21 percent wage gap between jobs lost during the recession and jobs gained during our recovery. Americans are feeling the wage pressure.

The good news is that average wages are gaining. But they are only gaining for the top 20 percent of Americans. In 2004, average wages for 80 percent of workers declined.

So as you can see, not everyone is sharing in the growing economy.

A couple of months ago, the Conference of Mayors held its second Poverty Taskforce meeting, led by Los Angeles Mayor, and my neighbor, Antonio Villaraigosa.

During this taskforce meeting, mayors and policy leaders from around the country were challenged to think differently about poverty and the changing dynamics of the global economy. The truth is - hard working Americans are still struggling to compete and succeed, and are often times failing.

That is why we must address key issues such as education and the skills gap so that our nation can compete in the new global economy.

The Conference of Mayors is committed to moving this discussion from the margins to the mainstream. We will have an entire session at the Conference's Annual Meeting in June in Las Vegas that will engage mayors and experts on how we create real opportunity for everyone in America.

Homeland Security/Crime :

And finally, almost every mayor I know would tell you that their first priority is and must be public safety.

Safety and security impacts every part of a community's social and economic fabric.

But for every mayor in America, the job of ensuring public safety changed forever on September 11, 2001.

On that day of tragedy, we saw that local police and fire personnel are truly the nation's first responders to acts of terrorism. And in the days immediately following 9/11, we came to the conclusion that local police must be a major part of preventing acts of terrorism.

Who is more likely to witness suspicious activity than police officers working daily at our airports, ports, public transportation systems, schools, sports venues, and other key infrastructure sites?

The nation's more than 600,000 sworn local police officers must be integrated into our national effort to stop terrorists from destroying our American way of life.

That is why mayors have been pushing for equipment, training and deployment resources for police, fire and emergency services personnel to make sure that they have the skills and tools needed in the domestic fight against terrorism.

We have been fighting to make sure that these funds get to the cities that need them, and are not stuck in state or regional bureaucracies.

As we learned following Hurricane Katrina, mayors know that we need to be prepared to help ourselves in the early days, weeks and even months following a devastating attack or natural disaster.

Cities like Baltimore, Louisville, Indianapolis, Pittsburgh, Richmond Virginia, Cincinnati, Lexington Kentucky, Washington, DC and Nashville are signing city-to-city mutual aid agreements to help each other if needed. They are not waiting for state or federal assistance.

At the same time, mayors continue to focus on the ongoing need to address crime.

We have made great strides in America's cities in fighting crime, with crime rates at 30-year lows in many areas of the country.

But we still have major problems with illegal drugs and violence. And newer problems are now facing us such as meth, and growing gang violence in center cities and suburbs.

As we heard during our recent Gang Summit hosted by Mayor Villaraigosa in Los Angeles, cities of all sizes and regions of the country are experiencing an evolving gang problem.

According to a recent survey by the National Youth Gang Center, there are 21,500 youth gangs in the U.S., with 731,500 gang members.

And in Northern Virginia, the MS-13 gang problem has reached suburban communities that thought they were safe from gang violence.

Now you can see why we must never let up in the ongoing fight to keep our streets safe, our families protected, and our nation secure.

And what about Washington?

In all of the areas I have mentioned, Mayors are not waiting for the federal government to act.

Mayors are moving on key issues like transportation investment, homeland security, crime and violence, environmental protection, energy efficiency, and poverty.

But what about our federal government? Is it acting like a true partner in these efforts?

Well, you be the judge.

Key investment programs like our Community Development Block Grant - which creates jobs and opportunity for economic development and housing - continue to be on the chopping block.

Funding for key police and anti-crime programs has been almost completely eliminated.

Port and transportation security funding is not nearly where it needs to be.

First responder funding is being reduced because it is tied up in state and regional bureaucracies – just as we predicted when we fought for direct funding.

Congress is also threatening to preempt our ability to manage telecommunications resources to protect consumers.

These are not the actions of what I consider to be a full partner.

Closing:

Mayors have always had to adapt to the changing times. That is our strength.

Many of your communities were known for certain industries – steel, shipbuilding, textiles, or other types of manufacturing jobs that have vanished. In many of your communities, you were left with a mere shell of the city it once was.

The challenge many mayors face, as in New Orleans and the Gulf Coast, is what to do about it now.

In my own community of Long Beach, for most of the 20th century we were defined by the Navy and the aerospace industry. In the early 1990s we were devastated by the closure of our Navy Hospital, Navy Station and finally our Naval Shipyard. At the same time we were attempting to deal with the layoff of 30,000 McDonnell Douglas employees. In total, our community lost over 58,000 jobs with economic losses totaling \$4 billion.

We had a vision that we could leverage our historic strengths in tourism and international trade into a new more diversified economy that would carry our community into the 21st century. We also envisioned that we could take advantage of the emerging technology boom and create a technology center for Southern California in Long Beach.

We also needed to stop the retail leakage that we were suffering from and find ways of pumping more vitality into our downtown. Much of what we discussed and planned for has happened and we are beginning to see the results.

Our former Navy shipyard is now our largest container terminal and our port continues to be the second busiest container port in the Western Hemisphere.

We expanded our Convention and Entertainment Center, we created the Aquarium of the Pacific, and Carnival Cruises transferred its west coast homeport from San Pedro to our shoreline.

Convenient hotels within walking distance of our Convention Center, restaurants, museums, Aquarium of the Pacific, the Queen Mary, and a growing arts district have brought a new dynamic to downtown.

And how did we accomplish our reinvention of Long Beach? We did it with a lot of public and private partnerships and help from the federal government.

We didn't ask for handouts but for investments in our community. I'm glad that people realized the opportunities that Long Beach possessed, and I would hope that all levels of government would see that potential in every community and not turn its back when that community needs it most.

Our communities are the backbone of this country. Our industries and businesses help fill the state and federal coffers, and we have the right to insist that **now** is the time to invest in our communities and give us the tools we need to strengthen America's economy.

When history is written about this moment in time, it will take into account how we responded to the challenges we face as a country.

And whether history is kind to us will be dictated by whether we ignore the challenges before us, or have the courage and conviction to act.

An unknown person once said, "Compassion without action may as well be indifference", and I couldn't agree more.

Now is the time to **reinvest in** and **rebuild** this country, and Mayors are on the forefront leading the way.

Thank you again for this opportunity.