OBSTACLES AND OPPORTUNITIES OUTSIDE THE CITY

Riverside is not a walled city of the middle ages. Our success depends on what happens in our region, state, and nation.

Region

The Inland Empire is not doing well, with high unemployment, over 14% and too many foreclosures—it ranks among the top five U.S. metropolitan areas for foreclosures. The Inland Empire needs to examine its alternatives, options, and resources to perhaps chart different paths than in the past. The Coachella Valley Economic Partnership just completed an Economic Blueprint: The Road Ahead, 2009 and Beyond. The Blueprint is a regionally focused, market-based, detailed strategy with a five year business plan. Perhaps the Inland Empire Economic Partnership could follow the lead of Coachella Valley and host and fund a similar blueprint for the Inland Empire.

Regardless of any future regional planning efforts, Riverside cannot depend on the success of the Inland Empire for our own economic recovery. We have to be an exception, we need to be different, and therefore we must seize our own destiny. We must become an important city in southern California rather than the capital/largest city in the Inland Empire.

State

In 2010 the State of California is, quite simply, in bad shape. Governance in Sacramento is a marked failure. And the economy needs to be revitalized and renewed. California unemployment rates, for example, are the fourth highest of the 50 states. When asked if the state is headed in the right direction, the numbers saying ‘yes’ are the lowest in the history of polling in California.

Speaking as a political scientist who has taught state politics at UCR for almost 45 years, 2010 will be remembered in California as one of its most difficult, tumultuous, yet important years.

There is a $21 billion budget deficit before the State; noteworthy it is out of a total budget of $80 billion. After years of cutting and/or raising revenues, there are few good choices left, or even bad ones, to balance the budget. Much of the excellence of California, especially for K-12 and higher education, is at risk, as is an acceptable safety net for many of our residents. Equally at risk is the ability of Riverside and other local governments to provide the necessary services, essential for quality of life, economic development, and public safety.

2010 is a statewide election year, with contentious campaigns for Governor and U.S. Senator. Even more important, there will be on the November ballot an exceptionally large number of both contentious and significant ballot measures. Big bucks will be spent by many groups telling their stories. These will be defining votes for the governance and economy of the State of California, with real consequences for all of us in Riverside.
2010 may also be the year of historic reform in California. If there ever was a window for major political changes, it is now. They will be proposed by gubernatorial candidates, by legislators, and by many important groups like California Forward and Repair California. There is widespread agreement on the need for reform, yet agreement varies on ways to change the decision rules of the State. One of the ballot measures in November, for example, will be a call for a constitutional convention to refocus and to reform the State’s political process.

Regardless of political reforms in 2010, economic growth should be the highest priority for state policymakers. California needs a strategy for prosperity in the 21st Century that will drive business investment, retention, and reinvention. The economic recovery of California is now an open question.

For the City of Riverside in 2010, our first and foremost priority must be to protect local government revenue from taking by the State. As Mayor I strongly support, and the City Council voted to endorse, a November ballot measure called the Local Taxpayer, Public Safety, and Transportation Protection Act. It was filed by a coalition of the League of California Cities, local governments, and transportation and public transit leaders. This initiative, once and for all, would prohibit the State from taking, borrowing, or redirecting local taxpayer funds. It will help make happen “Seizing Our Destiny.”

Nation

There cannot be a healthy national economy without healthy local economies. It is in the cities of America where economic development takes place and quality of life is experienced. Cities are where most Americans work and where most of America’s productivity is generated. Cities are the wealth of nations. As cities go, so goes the country. Without strong cities and towns, we cannot have a strong America.

In 2010, there are opportunities and resources in Washington. The biggest issues of our time are on the national agenda: the economy, including the American Recovery Act, health care, climate change and energy independence, transportation and infrastructure, housing, and immigration reform.

At last year’s State of the City, I talked about the local promise of the American Recovery & Reinvestment Act, the largest stimulus package in the history of the United States.

The City of Riverside has received $9.7 million from formula funding, $34 million in formula bond allocations, and so far a disappointing $1.3 million in competitive grants. The verdict on the effectiveness of the Recovery Act is still out. Noteworthy, much of the money is scheduled to be distributed well into 2010, and beyond.

As President of the National League of Cities, I have asked that Washington stay focused on partnering with cities to help our economy and our local budgets back on track and to create good jobs in our communities. The federal and local governments should be partners together in rebuilding our nation’s infrastructure. In 2010, cities should have a real voice in fostering strong local and regional economies.