

# A City on the Rise

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*Mayor Jim Strickland*

Good afternoon. It's great to be here today to share an update on the state of our city. Looking back now as I am halfway through my second term, I have to say it has been a long two years. Nearly the entire time since my swearing-in, we have been fighting a war against a global pandemic, fighting a rise in violent criminal behavior, and all the while, continuing the work of improving the delivery of day-to-day city services to the level at which you deserve.

And with the help of our partners on City Council, that is what we are doing every day. I am here to tell you that the state of Memphis is strong—still recovering—but strong. Here is one example:

- After temporarily losing roughly 46,000 jobs during the pandemic, we have almost fully recovered in the number of working Memphians. In our latest employment numbers, which are from two months ago (November 2021), the Bureau of Labor Statistics shows almost 284,000 Memphians employed. In the comparable month before the pandemic (November 2019), the number was slightly higher at roughly 285,000.

In my remarks today, I'm going to cover three topics which will make our city stronger—

- 1) our plan for addressing crime,
- 2) the state of our economy and the incredible opportunities that exist, and
- 3) a transformative reallocation of tax dollars at the state level.

## **1) Addressing violent crime**

For decades, it's no secret that violent crime has plagued our city. For me personally, it has been and continues to be one of the most frustrating and challenging obstacles I've faced during my time as Mayor because there is no "quick fix".

Unfortunately, the plans we make and the actions we take today do not mean our crime problem will be solved tomorrow.

Over my six years as mayor, I have spoken often about crime. And we were making progress before the pandemic— growing our police force from around 1,900 officers to almost 2,100 and reducing crime, including violent crime, from 2017 to 2018 to 2019. And while the overall crime rate has continued to decrease since 2019, during the pandemic, the violent crime rate has significantly increased—particularly aggravated assaults and murders. And at the same time, we have had more officers leave and fewer recruits sign-on from the summer of 2020 through 2021.

These trends are happening in cities large and small across the country, but that fact brings no solace to those forced to deal with the pain violent crime brings with it. As I have noted before, in this year's budget we funded and have implemented a gun violence intervention program or (GVIP). It's a comprehensive and collaborative initiative aimed directly at interrupting the cycle of violent crime by adding new and significant resources to that work. GVIP has been developed from evidence-based practices that have worked in other cities.

At its core, it is helping those individuals who want to leave a life of crime and punishing those who refuse. It's complemented by non-police agencies who perform intense violence interruption, intervention, prevention and outreach to the hundreds of individuals we know who are committing most of the crimes and the most at-risk youth.

In addition to GVIP, we are continuing to do the following:

- **Rebuilding MPD.** Since we've taken office, and in partnership with the City Council, we've increased funding for the Memphis Police Department and improved the pay, benefits and promotions for our officers to better recruit and retain them. In fact, in six years, officers have received a combined 11.75 percent to 13.75 percent pay raise and all received bonuses of least \$5,000.

But, we need to do more. With the help of federal funds, we are offering a \$15,000 signing bonus and a reimbursement up to \$10,000 for moving expenses. This is in addition to our current program for all officers of down payment assistance of \$10,000 to purchase a home in the city. And over the next several months, I will present to the employee association and city council a significant pay increase and retention bonus plan. We currently have almost 2,000 officers, and we are committed to our goal of 2,500.

- o **SCORPION:** At the end of last year, Chief Davis created the Street Crimes Operation to Restore Peace in Our Neighborhoods Unit (SCORPION). This unit addresses violent crimes such as homicides, aggravated assaults, robberies, and carjackings that occur throughout the city. The teams will also address motor vehicle thefts, theft from motor vehicles, and other felony offenses.

- o The Scorpion Unit consists of forty officers that operate in four, ten-man teams. Each team consists of an Auto Theft Task Force and Gang Investigative and Crime Suppression Units. Crime data is used to determine where the unit will conduct its enforcement activities within the city.

- o Since its inception last October through January 23, 2022, the Scorpion Unit has had a total of 566 arrests—390 of them felony arrests. They have seized over \$103,000 in cash, 270 vehicles, and 253 weapons.

- **Punishing violent offenders.** While there's no doubt that we should explore alternatives to prison for non-violent offenders, there's also no question that we should prosecute violent criminals to the fullest extent of the law. We must remove from our streets those predators who perpetrate violence and use guns to harm and rob others.

One example: In 2017, Justin Johnson was involved in an altercation at a bowling alley. He went out to a car in the parking lot, got a gun, walked back in and fired several times inside the building. He injured four people and later plead guilty to

aggravated assault. He only served six months. Fast forward today, and he's charged with the murder of Young Dolph.

We have worked with the state to strengthen penalties for gun crimes and domestic violence, and one of my top legislative priorities this year is addressing state laws governing sentencing for aggravated assaults –our largest driver of the violent crime rate.

- **Positively affecting more young people.** The true long-term solution to crime is young people picking the right path instead of the wrong one. Young people need something productive to do when they are not in school.

Prior to the pandemic, we had greatly increased those activities and for the last several months we have fully reinstated those programs. We have doubled the number of youth summer jobs compared to when we took office, and we recently just allocated another nearly \$3 million over three years in federal funds to grow the program by an additional 350 participants a year. Youth library programming and youth athletics participation at Parks had more than doubled, and more youth are using our community centers.

And while it is certainly a long-term investment, we funded universal, needs-based Pre-K for the first time in City history. Most recently with Superintendent Ray's partnership and with City Council's help, we allocated \$9 million of federal funds to the Boys and Girls Clubs of Greater Memphis to replicate their successful four-year program at Craigmont High School to 10 additional schools. This is after school programming in the schools.

At Craigmont, 100 percent of the club members have graduated high school and 100 percent have gone on to higher education, joined the military or gotten a job.

- **Reducing recidivism.** We have expanded programs that work to connect local employers with individuals who have paid their debt to society and are leaving prison. We raised private funds to pay for the expungement fees for nearly 2,400 non-violent

felons and have lobbied to have those fees reduced. We have also worked with companies like Kroger and divisions within city government to hire dozens of men and women who have successfully completed our second chance programs. It is vitally important that ex-felons have the opportunity to become productive members of society, or else, as statistics show, they are more likely to commit crimes again.

- **Increasing economic opportunity.** Simply put, a person with a good job is less likely to commit crimes.

At City Hall, we have worked hard to create an environment in our city to enable the private sector to invest and create more jobs, and we've worked to overhaul how our community attracts new good paying jobs. Now, even though we have a crime plan and are working that plan every day, it takes more than the Memphis Police Department and city government to successfully tackle our challenge with violent crime. Other people and entities must also be held accountable.

**First**, parents must take an active role in their child's life. They must know who their friends are and what they're doing when they're not at home. Our parents are the best and most effective way to help make a difference.

**Second**, we need help from the state. Tennessee state law has changed over the years to allow for easy access to guns, while also failing to adequately punish people for the wrongful use of those guns. A couple years ago, I asked then-Director Mike Rallings to compare the number of guns on the street now compared to when he became an officer over 30 years ago; he replied that it was "night and day" and that it was unusual to find a criminal suspect with a gun when he joined the force in the late 1980's.

To give a clear-cut example, in 2014, the state allowed adults to have guns in their cars without a permit. As a result, more citizens carried guns in their cars, and theft from cars and theft of cars skyrocketed to the point that 1,861 guns were stolen from cars last year. In 2020, that number was 1,137. To put that into context, in 2013 before the new law took effect, that number was 358.

As I've said over and over, 201 Poplar is too often a revolving door due to weak state laws on violent crime. One example of that—if a person shoots his or her gun into another vehicle or house and no one is injured, it is considered an aggravated assault. The law not only fails to require jail time, it requires a judge to presume the person should be on probation without jail.

Also, the state significantly underfunds treatment of mental health. While our mental health and substance abuse facilities have seen large increases and requests for help, they have told me that they are being reimbursed at the rate as ten years ago. As an example, calls to Alliance Healthcare have tripled during the pandemic.

**Third,** Juvenile Court is much more of a revolving door than 201 Poplar, even though juvenile violent crime has greatly increased through the years. Very few juveniles are held by the court, and too little supervision and intervention is provided for those cited by MPD for breaking the law.

One example—in 2020, a 16-year-old with a gun was shot and killed while trying to car jack a person's car. In the several months prior to that attempted armed robbery, he had been caught breaking the law four other times.

- First, at 3am, he led police on a chase in a stolen car that eventually crashed (he was caught by the police and released by the court)
- Second, he and some friends broke into a store and stole guns (he was caught by the police and released by the court)
- Third, he and some friends tried to steal cars from a dealership (he was caught by police and released by the court)
- And fourth, he and a friend stole a car from a gas station (he was caught by police and released by the court)

All within a matter of months. And he was wearing an ankle bracelet, but no one was monitoring it.

**No punishment.**

**No intervention.**

**No rehabilitation.**

County government is 100 percent responsible for the juvenile justice system and should provide more resources to Juvenile Court and the new Youth Assessment Center. Without more resources, too many at-risk juveniles will continue engaging in at-risk behaviors. We must change the hearts and minds of our most at-risk youth so they do not pick up the gun in the first place.

As I said earlier in my remarks, crime is something that has plagued Memphis for longer than most of us care to remember. I want you to know we are working every single day on both short and long-term solutions to this decades-old problem. And just like you, I'm sick and tired of it. I'm tired of watching it on the news every night and reading about it in the newspaper every day.

But, it takes all of us—state and local officials, families, neighborhoods, churches, businesses—working together towards the goal of reducing violent crime. Together, we can and we will make a difference.

## **2) The state of our economy and the incredible opportunities that exist**

Prior to this pandemic, we were experiencing momentum in our city on all fronts. For the first time in a long time, more Memphians thought we were heading in the right direction instead of the wrong one. Billions of new private dollars were being invested city-wide. Violent crime had gone down three years in a row. For the first time in history, we had set up free, universal needs-based Pre-K. 20,000 more Memphians were working than when I took office in 2016, and our poverty rate had dropped to its lowest in twenty years. Our city was moving in the right direction, and while the pandemic did slow much of this, we're getting back on track.

As I noted earlier, we've nearly made up all the lost ground on jobs, and despite the pandemic, we still had a good year on the economic development front last year. To give a quick recap, we had

- 33 total project announcements (one of those—Ford Motor was the largest private investment in the state of Tennessee's history)
- Over \$6.7 B in private sector capital investments (\$1.1B without Ford Motor and Blue Oval City) still not a bad year
- 9,374 estimated net new jobs (3,774 without Ford Motor and Blue Oval City) I want to take a second to talk about Ford. While they will not be located directly in Memphis, they will have a tremendous impact on us in the near and long-term. The company is investing roughly \$5.6 billion and will be hiring around 5,600 people—and that's just Ford Motor. That doesn't take into account all of the other secondary businesses that will locate in and around the new Blue Oval City and hopefully Memphis as well.

Now, obviously not all 5,600 jobs will be filled by Memphians. But regardless of what that number looks like, employees heading to Blue Oval from here will need efficient, reliable transportation. Since the announcement, our team has been looking at various options that would potentially work best and hope to have more concrete solutions very soon.

In addition to Ford Motor, I've long said that Memphis is an opportunity city. Right now, we have thousands of available jobs at private employers across our community, as well as, many available positions within City of Memphis government.

**In Memphis today, you can:**

- Get a free community college education through Tennessee Promise. We're the first state in the nation to do that. And, it includes adults who want to go back to school, too.
- Get a free education at Tennessee College of Applied Technology or tech schools.
- Get a free high school education at the Goodwill Excel Center for adults who did not obtain their degree as a teen.
- Apply to one of more than 10,000 open jobs at any one time in the Memphis area.
- Receive free training and application assistance through Workforce Mid-South.
- For more information on these opportunities and additional job training programs,



nonviolent criminal record expungement, assistance in receiving a high school equivalency diploma, and many other services that you can take advantage of in our city for FREE, visit [opportunity.memphistn.gov](http://opportunity.memphistn.gov) or google “opportunity Memphis”.

Beyond our duties to improve core city services, I find more and more that our job at city government is to connect citizens—particularly our young people—to these opportunities. We are an opportunity city, but in order to capitalize on them, people must know how to reach those opportunities. All that to say, our recovery is well underway, our momentum is quickly picking up, and as always, Memphis is open for business.

### **3) A transformative reallocation of tax dollars at the state level.**

As you may or may not be aware, the state eliminated the Hall Income Tax a couple years ago, which reduced the revenues of Memphis city government by roughly \$15 million each year. For those not familiar with it, the Hall income tax was imposed only on those receiving interest from bonds, notes and dividends from stock. While the state’s Improve Act restored about \$7 million to our budget, the net decrease is still around \$8 million. In addition, the state has updated the way local governments must calculate our yearly pension payment (by reducing the discount rate), which will cost us \$8 million more than it would have under last year’s rate.

To put this total loss of \$16 million in context, our annual operating budget is a little more than \$700 million, and a one percent raise for all city employees is roughly \$4.5 million. A one percent raise for only fire and police is around \$3 million. So, a \$16 million loss is significant to city government.

**There is a solution to this revenue shortage.** Twenty years ago, when the state was having serious budgetary challenges, they slightly altered the traditional allocation of sales taxes, which increased the state’s portion from the portion usually allocated to cities and counties. For a few years now, we have supported two bills to reallocate the traditional split. With the state having large surpluses each of the last several years, including a reported \$2 billion surplus in recurring funds this year, we are hoping the bills can pass this upcoming session.

These bills would net city government over \$12 million per year. As I outlined earlier, we are actively recruiting and retaining police officers, and the reallocation of these sales taxes would allow us to give your police officers and fire fighters higher raises.

In addition to the surplus of \$2 billion in recurring funds, it also appears that the state has an additional \$2 billion in surplus from nonrecurring funds (one-time money). We have asked state officials to help us fund some of our capital projects, which will result in catalytic improvement in the quality of life and overall experience in Memphis for decades to come.

I'll give you a quick recap of this year's top budgetary priorities:

1. **Waterfront District**—We have a unique opportunity to expand Beale Street Landing and Greenbelt Park docks, as well as, create a lake and a series of additional docks and other improvements along the riverfront to increase economic development in the area and improve the quality of life for residents.
2. **Leftwich Tennis Center**—The new Leftwich Tennis Center will be the largest tennis facility within hundreds of miles, with 24 outdoor and 12 indoor courts — replacing the current facility of eight outdoor and four indoor courts. The new Leftwich will be well positioned to host adult and youth regional and national tournaments, bringing visitors to Memphis year-round. It will also be a competitive host site for national, regional, and conference-level collegiate tournaments hosted by the U of M.
3. **Wolf River Greenway**— The Wolf River Greenway is a 26-mile paved multi-use trail following the Wolf River from the confluence with the Mississippi River to the Germantown city limits. There are five shovel-ready phases that currently lack construction funds. These phases represent critical gaps in the 26-mile trail system.
4. **Brooks Museum**—the \$150 million, 112,000 sq.ft. New Brooks will be a world-class museum and great addition to downtown.

As I close out my remarks this afternoon, I just want to say one last thing.

Memphis is a city that has changed the world, and we are not done yet. While we have our challenges, I believe the future of Memphis is brighter now than it ever has been, and I look forward to a strong year in 2022.

Thank you for your time today. May God bless you all and may God bless Memphis.

