

State of the City 2017

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DELIVERED BY MAYOR WILLIAM AIELLO
DURING THE JANUARY 3, 2017 ANNUAL MEETING OF THE
OLEAN COMMON COUNCIL

Welcome Very Rev. Gregory J. Dobson. I would like to take this time to congratulate him for celebrating his 20th Anniversary in our wonderful city at the beautiful St. Mary of the Angels Church.

I would also like to welcome Judge Daniel Palumbo, my wife Patty, my family and friends, Boy Scout Troop # 621, members of the media, members of the Common Council, our Department Heads and City Employees. Most of all, welcome to you in the audience here in the Council Chambers and those of you who are watching at home.

I would be remiss if I did not recognize my Secretary Michiko McElfresh. She works tirelessly in the Mayor's office not only keeping me organized but handling the hundreds and hundreds of calls we receive from the public.

We also have a few honored guests here tonight former Alderman Jerry LeFeber, former Alderman Adam Jester, former Alderman Joyce (Melfi) Cwiklinski, and former Alderman Earl McElfresh.

Over the past three years it has been my pleasure to work with—and again this year—I stress with—the Common Council. I have been blessed to have individuals, who as Alderman, are here to do what is best for not only their constituents, but also for the City of Olean. I look forward to working with them in 2017 as we continue the revitalization of Olean.

Speaking of that revitalization, we are going to do something different this year—[screen will come down and slide show will commence....]

It was one of my grandfather's favorite sayings that everybody wants to go to heaven, but nobody wants to die. I think you can say the same thing about progress. Everybody wants progress—but nobody wants to contend with it.

For the past two years the City of Olean has graciously and patiently put up with detours, limited parking, and closed streets as well as the dirt and grime associated with major construction projects. I am pleased to report that almost everyone is happy with the changes. Our North Union Street businesses have gotten their street back and suddenly they find themselves doing business in one of the most interesting downtowns in all of New York State. And—you may have noticed that since the project got underway, a number of new businesses, stores, restaurants and cafes have opened along the street.

I want to thank our neighbors in Allegany, Portville, Hinsdale, and throughout Cattaraugus and Allegany Counties and Pennsylvania, who visit our city and frequent our businesses for sticking with us through this transformation. I'd also like to thank the men and women who spent the past two years as our unruly guests—tearing up our streets, knocking down our light poles, digging up our water pipes and ripping up our trolley tracks. We would like to invite all of the construction people back to see the results of their labor and to enjoy the streetscape that they created and the city they helped to transform.

As for those trolley tracks—the City put some aside and we're hoping to do something interesting with them to commemorate their place in our history.

North Union Street stepped into the future, but the North Third Street construction project, with the restored brick street, slipped back into its historic past when the titans of the oil, publishing and construction industries built homes along the street.

It will be great to watch our revitalization efforts take hold. To see the grass grow, the trees bud, the flowers blossom and to see everyone looking left—always left—as they approach and navigate our roundabouts.

You can't stop progress—when you can go round about it!

The City's departments continue to run well and I would like to give a quick highlight of each department:

Audit

The General Fund ended the 2016 fiscal year with a fund balance of approximately \$3.5 million. The Water and Sewer Fund ended the year with a fund balance of nearly \$790,000 and \$1.9 million, respectively. These fund balances exceed the levels suggested by the New York State Comptroller's Office.

The City of Olean received an unmodified audit report in accordance with

Generally Accepted Accounting Principles (GAAP), with no compliance issues with regard to NY State or Federal Grants and laws.

Our property tax increase at .12 percent raised the tax levy by \$7000 and increased the tax rate by only \$.01.

All great news, but....

Every municipality in NY State has challenges and Olean is no exception. We have to live within the Tax Cap and this year that means we are bound to a 1.15 percent tax increase or if you prefer a dollar translation—raising the tax levy \$80,000. If we stay within the tax cap this will add a little over .16 cents to the tax rate—or for a house that is assessed at \$50,000, a property tax increase of \$8.29.

Simultaneously we are hit with rising insurance costs. This year we anticipate about a 9 percent increase or \$200,000. In addition, we have to pay the debt service on the \$23 million dollar Waste Water Treatment project. We have to save up for another complete property revaluation. And we have to borrow over \$2.7 million for the Rec. Center repairs, luckily we have secured almost \$950,000 in grants to offset our borrowing for the project. Finally, all four of the City's union contracts are in negotiations.

Unfortunately, with all these items on our horizon, we see no increase in state funding such as Aid and Incentive for Municipalities. These fiscal challenges force the City to explore every avenue available to tighten our belts, increase revenues and maintain services.

Youth and Recreation

The Youth Bureau & Recreation Department summer recreation program had 432 children registered to participate in a wide range of activities including archery, tennis, dance, martial arts, basketball, crafts, golf, bowling and an Olean Oilers baseball clinic.

Annual special events such as the Easter egg hunt, youth fishing derby, youth track meet and the annual Kids Day/Charity Carnival attracted a large number of participants. The event raised over \$1,300 for the memorial scholarship fund.

The William O. Smith Recreation Center was busy in the summer, as it hosted the Enchanted Mountain Roller Derby and the girl's summer high school basketball leagues.

The City's pools at Franchot and War Vets parks were an attraction due to the hot, dry summer—over 100 children participated in the swim lessons.

The 10 week summer concert series at Lincoln Park attracted over 1,500 residents of all ages and the 41st annual City Cup softball tournament drew 35 teams with over 400 participants.

During the fall and winter seasons the William O. Smith Recreation center ice skating rink attracted thousands of participants throughout the season. "The 12 Ice Skating Days of Christmas" was very successful and hundreds of children enjoyed free public ice skating sessions through the generosity of many community businesses and organizations. Hockey continues to be popular at the rink with strong programs for all age groups. The recreation center ice rink and pool generated over \$200,000 in revenue in 2016.

At the St. John's Youth Center hundreds of students participated in the wide-variety of recreational activities, special events and the after school program. In addition over 100 children participated in the grades 4 through 6 youth basketball season this past winter.

The Olean Area Youth Court continued to be a highly successful juvenile delinquency intervention/prevention program for first time youth offenders ages 7 – 15. The program also provides an excellent learning experience for the high school members responsible for hearing the individual cases and making appropriate decisions.

The Senior Center experienced continued growth over the year. A wide variety of educational, social and recreational activities were available for Olean's older population at the John Ash Community center on a daily basis. Over the past year a total of 18,335 participants took part in activities such as coffee, lunch, bingo, yoga, square dance and bus trips.

The Bartlett House—Olean's gem in the Oak Hill Park Historical District—came to life again this past summer with gardens as it participated in the Olean Garden Club's annual garden walk. During the holiday season, the house was decorated with Victorian era ornaments and 300 visitors attended the open house that ran in conjunction with the Santa Claus Lane parade. I would like to thank the volunteers who maintain the gardens and make all of these events possible.

DPW

Streets

Olean's streets crew not only plowed the snow, fixed the pot holes and collected the leaves; the department stayed busy throughout the year. Streets updated 75 percent of the City's crosswalk pavement makings and improved the landscaping of the North Union Street Phase One gardens. The department made South Union Branch passable again, and they milled and paved Keating and Root Street. They demolished two houses that were part of Olean's blight problem and worked with the Olean City School District to pave an area on Reed Street for parking.

Mechanics

The city's fleet committee met monthly throughout the year. A John Deer high lift and a John Deere skid steer were added to the fleet. The staff in the garage continually repaired and performed routine maintenance on the city's vehicles and equipment so they are ready to be deployed as our seasons change.

Water

It was a very busy year for the Water Administration and Distribution department.

The city has over 125 miles of water lines throughout the City and over the past year the water distribution department had to repair 15 water mains, 18 service lines, 15 valve boxes, 48 service boxes and 8 fire hydrants. The department completed 960 underground locates, flushed 820 fire hydrants, installed 670 feet of new water main, completed 108 street and lawn restorations, and replaced 4 fire hydrants. The water department also assisted Cattco and R Patti as the two construction companies worked on Olean's streets.

According to the 2015 annual Drinking Water Quality Report, the Water Filtration department produced 1.21 billion gallons of water. The filtration plant produced 484 million gallons and the City's well sites produced the balance.

The City continues to account for the millions of gallons of water that are listed as "unaccounted for" in the annual water report. Water meters have been installed on all of the City owned facilities. In addition a new flow meter was installed at well site M37/38 and a new flow meter has been purchased for the plant. By the end of next year all facilities will have new flow meters which will help track the water loss.

Airport

This past summer Sanford Reim, a pilot for 43 years, flew over our airport in a no cockpit airplane. He was seated in a chair with a seat belt and no windshield. As he scanned the horizon he said that he came across one of the nicest looking airports that he had ever seen. He said that it was obvious that the people managing the airport took great pride in maintaining it—he had to land to meet these people.

As it turned out, he had to stay the night to make some repairs. He wrote to me and said, "I could not ask for more hospitality and help from the nicest people I have met...." They lent him tools, they had a courtesy car for him to drive to town, and he stayed at a nice hotel with a great restaurant right next to it.

Sanford Reim landed in Olean and recognized what we all agree on – Olean is located in a beautiful part of the world and the people are very helpful and accommodating.

During the 2016, phase one of the airport fencing project was completed. The timber harvesting project continued. Insulation was installed in the main hanger to save on heating expenses. New doors, propane tanks and eve troughs were installed. A Kubota ATV and a John Deere pull behind lawn mower were purchased.

With the help of the Olean Airport Support Group, the airport hosted numerous events during 2016 including the STARS rally, the Ground Zero Drag Races, and the first annual Halloween on the Hill.

Wastewater Treatment Plant

Construction continued throughout the year at the wastewater treatment plant. Ongoing maintenance at the pump stations and buildings was completed by the plant's staff. The pump at Bradner Stadium was repaired and the sewer maintenance crew continued to repair manholes, sanitary lines and catch basins as needed.

Engineering

The engineering department was instrumental in the reconstruction of North Third Street and in the installation of the street lights on Stardust Lane. The department coordinated with the water department for the water main replacement on Keating Street. The department also completed street ratings for every street in the City and surveyed the ADA accessibility of half of the sidewalks in the City. In addition, the department completed a survey for a water main replacement on Mountain View Drive.

Electrical Division

Our electricians were very busy this year. Not only did they install the lights for Santa Claus Lane, but they installed new street lights on seven streets in the City.

They installed new pedestrian signals at two sites and installed the four pedestrian signals on North Union Street. The electricians worked with a number of the city's departments including parks, the airport, the city garage, the water filtration plant, and the wastewater treatment plant. In the Municipal building, the electricians worked diligently to install a back-up generator—that will allow the City to conduct business during a catastrophe.

Forestry

The city planted 48 trees in 2016. By contract 42 trees were removed, 44 trees were pruned and 23 stumps were removed. The power company removed 11 trees. The city forester and the parks department pruned over 100 trees. The city celebrated Arbor Day with National Grid on April 25th; together they planted 8 trees in Mount View Cemetery. The City continues to be designated as a Tree City.

Assessor

Our equalization rate has, unfortunately dropped down to 92 percent and we will have to work to get that back to 100 percent. During the year 400 deeds were recorded.

Clerk

The City Clerk's office worked out the initial problems with the monthly water and sewer payments and the process has stabilized. Because bills are distributed three times instead of one time per quarter, the office has experienced a significant increase in foot traffic. About 20 percent of the bills are paid in person at the office, another 50 percent of the payments are received in the mail, 27 percent are paid on-line or by bank draft and 3 percent use our drop box on Times Square. As a reminder, the white drop box was a suggestion from a resident. If residents have any suggestions that might help the City become more efficient, please stop by my office and let me know your idea.

Fire Department

During the past year, the Olean Fire Department responded to 3,849 calls for service. There were 1,659 fire and service related calls which included 21 building fires. The fire investigation team investigated 10 fires which included 6 fully involved house fires, 2 commercial fires, an apartment fire and one garage fire. The commercial fires took place at Cutco and Bean Contracting.

During 2016 there were 2,190 calls for EMS. Olean's Fire Department was recognized by the American Heart Association for achieving a 75% or higher performance for the Mission Lifeline EMS Achievement program. This program was created by the American Heart Association to give healthcare providers resources and guidelines for heart attack care.

The Central Fire Station hosted United States Senator Chuck Schumer in December when he visited Olean to launch the first ever national firefighter cancer registry.

And, in 2016 the department became a member of Governor Cuomo's High Volatile Crude Oil foam task force team.

Code Enforcement

The Code Enforcement Office issued 345 new construction permits and received 659 complaints, 33 percent of which were grass complaints. Eighty percent of the complaints received by the Code Enforcement Office have been closed. The department continues to monitor and update records. The City of Olean currently has 2,157 registered landlord properties, 65 property liens, 251 general contractors, 44 snow plow contractors, 16 master plumbers and 9 electricians.

The Zoning Board of Appeals had 10 area variances applications and 5 use variance applications.

Police Department

During 2016 the Olean Police Department had 18,450 calls or blotter events which led to 3,341 incident/case reports, an increase over last year of 20 and 32 percent, respectively. The Criminal Unit generated 463 cases and made 234 arrests, of which 121 were drug arrests. The department made 83 DWI arrests. They have issued 2,168 traffic violations and 1,863 parking violations.

Along with his police work, Dan McGraw, the Resource Officer in the Olean City School District took part in 876 student counseling sessions, 180 parent meetings, 6 superintendent hearings, and 37 home visits. He went to 13 sports events and 5 dances. He chaperoned 5 bus trips and went on the 3 day senior trip. He was interviewed 9 times for government class. And—he was at the Homeless Huskies event in November.

During the past year, members of the police department received Narcan training from Southern Tier Health Care System. Dr. P. Henri Lamothe, Medical Director of the Southern Tier Overdose Prevention Program, commended Patrolman Ryan Aylor for using his training as an overdose responder, administering Narcan and saving a life on November 24th.

Members of the Police Department also received CPR training during the year. Police Officer Denise Maestas was the first on the scene during a cardiac arrest and took over the CPR. Her efforts, according to Firefighter Timothy Hite, allowed the ambulance crew to immediately apply the defibrillator and increase the patient's potential for survival. In addition, Officer Maestas drove the ambulance to the hospital, allowing the crew to focus on the patient's care.

There were a total of 404 motor vehicle accidents, a decrease of 9 percent from last year's total of 445. Regarding North Union Street, the Police Department did a study comparing the 18 months prior to construction to August 1st, 2015 to December 12th, 2016. Prior to the redesign there were 25 total accidents on the street as compared to 21 total accidents during August 2015 to December 2016 time period. As for the intersection or traffic circle accidents—there were 19 prior to the redesign as compared to 21 during the August 2015 to December 2016 time period.

During the year the Olean Police Department implemented a highly effective program to reduce the amount of unpaid parking tickets, which at that point in time was approaching \$250,000. At the March 8th meeting, the Common Council gave the Chief of Police the power to remove, immobilize and store vehicles that had numerous outstanding parking violations. The department gave a thirty day grace period to allow residents a chance to pay their tickets.

This program has been very successful, income specifically from booting totals \$8,375 and by June income generated from the unpaid tickets was over \$40,000. This program would not have worked without the cooperation of the police department, the City Clerk's office and the City IT department.

Community Development

The new optimism that continues to grow in Olean starts in the City's Community Development office. I'm going to repeat what I said last year: The skill of that department in writing and administering grants is extraordinary. Their efforts have brought funding to many of Olean's well established business as well as many of our new ventures. Their continued efforts have secured funds to save our old architectural gems, to develop our long abandoned brown fields and to explore the recreational possibilities of our region's most underutilized asset, the Allegheny River.

This year at the New York State Economic Development Council Awards, the City received \$400,000 to set the stage for a new pedestrian-friendly neighborhood with a mix of modern, multi-family residential options that will join-together the downtown and the City's medical campus. Pending additional requests for this downtown redevelopment include \$500,000 from RESTORE NY and \$541,913 from the New York State Transportation Alternatives program for infrastructure improvements.

The City also received \$220,000 for the development of a permanent Farmers' Market. Local farmers' markets can become the heart and soul of a community—and the City's plans involve a public/private partnership that will create a vibrant, active civic commons that will complement our urban downtown. The City was also awarded \$44,600 to purchase and install two portable launches in the Allegheny River that will expand recreational opportunities and help promote tourism.

During 2015 Community Development made downtown improvement loans to assist thirteen businesses to improve and upgrade their facilities.

The Olean Urban Renewal Agency has committed to replace the roof on the former Manufacturers Hanover Building. This estimated \$400,000 capital project is expected to be bid in the spring of 2017 and is one more step toward stabilizing this historic building for future development.

Sunny Olean, LLC purchased of 110-116 West State Street and plans to invest over a million dollars to renovate the buildings for mixed use including upper floor housing and first floor commercial/retail use. The City applauds Jeff Belt's enterprising vision and his commitment to Olean's downtown revitalization.

Blight

Our internal Blight Task Force took on a major challenge this year when the county deeded the City thirteen properties that were headed to auction. Interestingly it is not an easy task to take on thirteen blighted properties. But I am very proud to say that all of the departments have worked together to secure, to post, to inventory, and to winterize the properties if necessary. The group decided which properties are salvageable and which properties should be demolished. Together, our City Attorney and the Common Council have created a law that allows the city to dispose of the properties.

Just recently the City received a \$100,000 grant from the Zombie and Vacant Properties Remediation and Prevention Initiative from the Local Initiatives Support Corporation or LISC. A portion of the grant money will be used to create a comprehensive database of Zombie homes—that will list the names of the owners of blighted properties and the status of the utilities. This tool will allow the Blight Task Force to determine appropriate strategies to reduce blight and revitalize neighborhoods that are affected. The grant will also allow the City to increase the

manpower in both our Codes and City Attorney offices. A part-time building inspector will handle complaints and monitor the City's vacant properties. And a part-time attorney will assist with compliance and management of our Zombie properties. Finally the grant will enable the City to implement an outreach program that will assist residents threatened with foreclosure to find preventive resources.

On the fight against Blight, I applaud the Common Council as they increased the budget line for the Demolition of Unsafe Buildings from \$50,000 to \$198,000 this past year.

Blight is defined as anything that withers hope, destroys prospects and impairs growth.

I am certain that blight does not have a chance to win against the forces that exist in our community. Olean residents have grit and determination. From the Bradner Stadium renovations to the North Union Street streetscape and the North Third Street restoration, our community proves time and again that we don't give up, that we fight for what we want and we persevere through thick and thin.

It's that grit and determination that will help us meet the challenges of the upcoming year:

- As we complete the Sewage Plant upgrade that was required by the Consent Order Issued by the NYS DEC; and
- As we comply with the Consent Order Issued by the NYS DEC to decrease the flow of storm water into the sanitary sewer throughout the City; and
- As we negotiate Union contracts with all four of the City Unions; and
- As we find ways to increase our revenues without a tax increase, such as the solar energy agreement that allows the City to receive net metering credits to lower our energy costs.

It's that grit and determination that will keep us on track during 2017:

- As we continue to combat blight and lobby for seat on the board of the Cattaraugus County Land Bank; and
- As we start the \$2.7 million renovation of the William O. Smith Recreation Center ; and
- As we continue to work with the Greater Olean Area Chamber of Commerce and the Olean Business Development Center to attract businesses to our community and maintain positive job growth

And it's that grit and determination that will support us in future endeavors:

- As we continue our revitalization efforts in our parks, in our neighborhoods, and in our business district; and
- As we continue to repair and replace our roads; and
- As we continue to preserve our historical assets throughout our City of Olean.

I think about Sanford Reim frequently. He flew in, spent one day in our City and loved every minute of it. I have had the pleasure of spending my entire life here and have loved every minute of it. I am proud of our City. I am proud of the people who live here and make the City work and I am very proud to be mayor of this centuries old town on the river.

Thank you and have a very Happy New Year.