

# State of the City - 2019

## Mayor Miro Weinberger's State of the City Address - April 1, 2019

Mayor Miro Weinberger Declares that the State of the City Is Strong

Mayor pledges continued effort to find consensus and collaboration with Council; Announces ongoing commitment to three major areas over the year ahead: Fiscal responsibility and stewardship of core infrastructure, ambitious climate goals, and policy to end our housing crisis and create more homes.

Burlington, VT – Mayor Miro Weinberger today delivered the State of the City Address in City Hall's Contois Auditorium, during which he reported that the State of the City is very strong, and for the seventh year in a row, stronger than it was one year ago. The Mayor was joined by the City Council, City Department Heads, a number of City employees, and many members of the public.

"In 2019, we must continue our work in three areas that I believe are among our most critical, and that strengthen all of our other goals," said Mayor Weinberger. "We must continue to focus on fiscal responsibility, including the careful stewardship of our public infrastructure. We must take even more action on our climate goals, and both address the urgent need for change and give our community a competitive advantage. And we must redouble our efforts to end the housing crisis and create more homes, making 2019 the year that we accomplish the structural fixes needed to make housing for all a reality."

Along with highlighting some of the successes of the past year, the Mayor set forth three main themes and related goals for the City's work in the coming year:

- Focusing on fiscal responsibility and stewardship of public infrastructure, the foundation on which all of our other progress is built, including by:
  - Eliminating the property tax increase planned for next year;
  - Implementing an additional reform to stabilize our pension system; and
  - Replacing our old and worn-out fleet of sidewalk plows.
- Taking action to meet our climate goals, including by:
  - Releasing our Net Zero Energy City Roadmap this summer, which will comprehensively analyze our current energy use and outline strategies for us to achieve Net Zero;
  - Continuing our work to incentivize the electrification of vehicles, thereby tackling the challenging emissions that come from our ground transportation sector; and
  - Supporting our ongoing work to strengthen our biking and walking infrastructure.
- Accomplishing the structural reforms that we need to make to our housing policy to make Burlington more sustainable, affordable, and inclusive, including by:
  - Hosting a Housing Summit in May to review a range of key housing policies;
  - Emerging from that Summit with a list of priority housing initiatives for the Administration, City Council, Planning Commission, housing stakeholders, and the public to develop in ensuing months; and
  - Delivering draft ordinances for these reforms to the City Council for formal vetting and action by October.

The Mayor concluded his remarks by stating, "For more than 150 years, since our founding, Burlington has strived to be Vermont's City of Opportunity, the place in this great state where anyone, no matter their race or their place of birth, their income or their gender, can thrive. Being such a place requires our continued vigilance and action. By acting to strengthen our infrastructure and financial health, lead the country on climate change, and reform our housing policy, we will ensure that Burlington truly is a City of Opportunity. I look forward to working with all of you to make it happen."

Please see the complete 2019 State of the City address below:

Good evening and welcome to Contois Auditorium. Thank you all for being here and participating in this long-standing tradition of municipal reflection and renewal.

I want to welcome our newly elected City Councilors Perri Freeman, Jack Hanson, and Franklin Paulino to their first Organization Day meeting. It was an honor to swear you in tonight, and I am eager to work with you and see what we will accomplish together. I also want to say hello and welcome back to our nine returning Council colleagues, and I look forward to another year together.

I want to recognize our Department Head colleagues who are with us tonight. Could you please take a moment and stand. Let's give this incredible team a round of applause. Thank you for your commitment, your sacrifice, and your many talents. The City has never had a better cohort of leaders, communicators, and innovators than it does right now.

You might notice that the podium I am standing at tonight bears our City flag. For many years, the Mayor's office used a music stand at our events. After we misplaced it, we decided to ask Generator for help with an upgrade. This podium was made by Ali Hussein, who is a senior at Burlington High School, and worked with Elliott Katz at Generator to design and build this solid maple podium for the Mayor's office, which I am using for the first time tonight. Thank you to Elliott and Ali, who are both here tonight.

Thank you Mayor Peter Clavelle and Betsy Ferries for joining us tonight and for your ongoing service to Burlington community. I have so enjoyed our recent opportunities to work together, including in your important work to make the Old North End Community Center a reality. Thank you Peter and Betsy.

I am fortunate to have three generations of my family here tonight, including my parents Ethel and Michael who came up from Hartland, Vermont. My daughters Li Lin and Ada are also here tonight, and I am so grateful to be your parent. Thank you especially to Stacy for all of your strength, support, and love, and for your work serving our community as a leader at the King Street Center.

Finally, I want to acknowledge someone who can't be with us tonight. Last month we lost Mayor Frank Cain. Mayor Cain lived a full and accomplished life and contributed much to modern

Burlington during his six years in office from 1965 to 1971, and afterwards when he returned to private life and raised his 10 children on Mansfield Avenue. One of the privileges of this job for me has been the opportunity to get to know Mayor Cain and his wife Mary Jane, who attended every one of my past State of the City addresses. We remember Mayor Cain's life here tonight and we miss him.

I want to begin tonight by reflecting on some of the events and achievements of the past year, and what it took to make them possible.

It's no secret that this has been another tough winter on our roads. So I start tonight with the same great news I opened with last year: Once again, happily, the asphalt plants are about to open for the season!

Until the plants open, we rely on the muscle and hustle of the Department of Public Works Street Maintenance and Fleet Maintenance teams to keep the roads in shape and keep our trucks running. After working extra shifts on more than 60 days to clear snow from the roads and sidewalks during this tough winter, the team has spent recent weeks applying literally tons of cold-patch and hot mix to potholes to get us through until paving season begins.

Members of that team have joined us tonight and I want to say thank you to them and their families for their hard work and sacrifice this winter. I also want to specifically recognize the leader of the crew Rob Green, who will soon be leaving us after 31 years of remarkable service to the City of Burlington. Rob, it has been an honor and pleasure to serve with you, and I thank you for all that you have done for this City.

Fortunately, thanks to Burlington voters' support of the landmark Sustainable Infrastructure Plan in 2016, we have the resources to rebound from a winter like this one and reinvest in our public infrastructure. By the end of this construction season, we will have:

Re-paved 17 miles of roads over the last three years, approximately double the work of a typical three-year period;

Rehabilitated nearly nine miles of sidewalks over the last three years, approximately triple the work of a typical period;

Relined and replaced nearly eight miles of waterlines for the first time in generations;

And we will have created three miles of bike lanes and four-and-a-half miles of bikeways, along with rebuilding seven of the eight miles of our waterfront Bike Path.

This infrastructure work is just one of the many areas where we have found consensus and together confronted major community challenges head on. Here are some of our other successes in the past year:

We came together to spur urgent action on lake health and clean water, with 92 percent of the voters supporting the \$30 million Clean Water Resiliency Plan;

We broke through decades of paralysis and secured strong public approval of the most significant re-organization of City government in 30 years: the creation of a new Permitting and Inspections Department that is already adding accountability, predictability, and convenience to our permitting system;

And we joined together at this table to unanimously support a new, feasible plan to transform the Moran Plant eyesore into a Burlington landmark and finish the job of bringing life back to the northern waterfront.

We had a good year in many other ways too: Our unassigned fund balance grew another 15 percent in our last audit; the airport had a record-breaking year, serving more passengers than it did at any time in the last decade; our Early Learning Initiative is helping to create dozens of new, high-quality childcare spaces in Burlington; we successfully launched a new tradition in Highlight on New Year's Eve; and we are replacing a lakeshore parking lot with a great new waterfront park that will open this summer. As a result of these local successes and more, and because of the industriousness, innovation and compassion of our residents, I am proud to report that the State of our City is very strong, and for the seventh year in a row, stronger than it was one year ago!

Throughout the last seven years, the essential ingredient for our progress in this room has been collaboration. Despite party differences, at this table we roll up our sleeves and find ways to reach consensus and get things done for the people of Burlington. As we enter a new chapter with a new Council, I want you all to know that I remain committed to this way of working together, and working hard to find areas of agreement and keep delivering results for our constituents.

Before leaving the topic of collaboration, I would like to take a moment to talk about the Opioid Crisis and our efforts to fight it. For the last two and a half years Chief Brandon Del Pozo and I have led CommunityStat, an effort of regional collaboration, coordination, and innovation that may have no parallel in the country. Through this effort we have worked with dozens of partners to implement a robust constellation of interventions – and we have begun to see results. In the last year, opioid-related overdose fatalities in Chittenden County dropped by 50 percent.

Despite this progress, too many of our neighbors, co-workers, and children are still dying here in Chittenden County and throughout Vermont. So this week we are doubling down on our efforts to expand access to life-saving addiction medicines: Starting tomorrow, we will have social workers in the police department screening arrestees for addictions including Opioid Use Disorder – and offering immediate access to treatment to those who screen positive before they are released. We know that a large percentage of individuals who commit crimes are suffering from opioid addiction. Like Vermont's successful new program of providing treatment in prisons, this new, innovative

initiative will ensure that the criminal justice system is doing all it can to bring this epidemic to an end.

It is time for the State of Vermont to also fully embrace the life-saving potential of addiction medicines and to do everything it can to destigmatize and ease access to them. The public health science is clear that the use of the addiction medicine buprenorphine saves lives whether that use has been prescribed or not. With thousands of Vermonters who need treatment still not getting it, the State should stop prosecuting small amounts of buprenorphine possession just as we did here in this City 18 months ago. I urge the legislature to make Burlington's policy the law of the land by passing H.162 now!

I will focus the rest of tonight's remarks on three critical areas of work facing us the year ahead. In 2019, we must continue to focus on fiscal responsibility, including the careful stewardship of our public infrastructure; we must make progress toward our ambitious climate goals; and we must redouble our efforts to end the Housing Crisis that, until recently, had been worsening for decades.

I start with a focus on fiscal responsibility and stewardship of our public assets, because this is the foundation upon which all of our other progress is built. As a result of our work to decisively resolve the financial crisis of 2012, we have been able to improve public safety by adding new firefighters and police officers, make additional investments in our most vulnerable infants and toddlers, and expand our youth programming at the library.

The four credit rating upgrades that we have earned since 2012 are not just gold stars: Our improved financial standing is keeping millions of dollars here in Burlington that otherwise would be sent to Wall Street. Last month, our Clerk/Treasurer's Office published a report that estimates that since our upgrades began in 2014, our improved credit ratings have locked in total interest savings for Burlingtonian taxpayers and ratepayers of more than \$15 million. As significant as that is, these savings will expand even more dramatically in the next few years as we take on debt to make historic investments in a new high school, our water systems, and other vital public infrastructure.

We also have made substantial progress in stabilizing our pension system in recent years. By cutting millions of dollars in wasteful management fees, negotiating new cost-sharing agreements with all four public employee unions, and improving our investment strategies, we have achieved millions of dollars of savings for taxpayers and changed the trajectory of the system.

However, we have one substantial reform that we still must implement. To fully return the Burlington Employee Retirement System to stable ground and avoid painful crises in the future, we must follow the lead of most public funds around the country and lower our assumed rate of investment return. I urge the BERS board to reduce our assumed rate of return from 8 to 7.5 percent in Fiscal Year 2020, and then to take further steps over the next two years to phase in reductions to a rate of approximately 7.1 percent, as our financial professionals have recommended.

While we continue to plant and nurture these seeds of future financial progress, we also are in position to harvest the fruit of our past work now.

By finishing the incredibly challenging job of saving Burlington Telecom last month, we not only ensured that Burlingtonians will have high-speed internet choice for the foreseeable future, we also earned back \$7 million for our taxpayers that many thought was lost and gone forever. After years of waiting, it is time for Burlingtonians to benefit from the recovery of these funds.

To that end, the budget that I deliver to you for the upcoming fiscal year will include using a portion of the funds to do two things: 1) Eliminate the property tax increase planned for next year, making good on our commitment to voters to only use the new tax authority they granted us in March if we need it; and 2) Replace our nearly obsolete fleet of sidewalk plows. Many of our plows are so old and worn that they were in the shop instead of on the streets 50 percent of the time during this past winter, slowing our ability to respond to the toughest winter storms. It is time to welcome a new generation of BTV Snowdragons.

Our second major area of focus will be on the great challenge of our time: fighting climate change.

Cities can and must be centers of innovation that show the world that decarbonizing our society is possible. While Burlington already has an impressive track record on this front, it is time for us to make even more progress. By taking action now, we will not only address the urgent need for change, but we will also save Burlingtonians money and give our community a competitive advantage. When our society finally and inevitably responds to climate change with new carbon regulations and other major shifts, Burlington will be out ahead if we act now.

For years, our climate efforts have been led by our beloved public utility, the Burlington Electric Department. In 2014, BED led the way to Burlington becoming the first City in America to source 100 percent of our electricity from renewable generation. We didn't stop there. For example, with my strong support, throughout the last seven years BED has invested in as much local solar generation as possible, and we now have more than 16 times the amount of solar capacity as we did at the end of 2011. Throughout this decade of progress, BED has held rates steady.

In 2016, we doubled down on this progress and announced that we would work to become a Net Zero Energy City across the electric, thermal, and ground transportation sectors by 2030. This is, perhaps, the most ambitious climate goal of any city in America – and we are serious about meeting it. This summer, after months of working with some of the nation's top experts, BED will release a new Net Zero Roadmap that will comprehensively analyze our current energy use across sectors, and lay out different scenarios and strategies for us to pursue to achieve Net Zero.

Even as we plan our future initiatives, 2019 will also be a year of action on climate change. This is especially true when it comes to ground transportation, the sector that continues to be our biggest emissions challenge.

That action started in January, when BED became one of the first utilities in the country to roll out a special residential electric vehicle charging rate. The EV rate allows drivers to charge off-peak for the equivalent of 60 cents per gallon of gas.

Tonight, I am happy to announce another effort to incentivize electrification of our vehicle fleet. BED is doubling its incentive for plug-in hybrid purchases or leases from \$600 in 2018 to \$1,200, the best plug-in hybrid rebate offered by any utility in the State.

There's more to come: In the Fall of 2019, Green Mountain Transit will add two new electric buses to its fleet, with support and incentives from BED.

However, we will not get to Net Zero simply by electrifying today's vehicles. We also need to update our transportation infrastructure to better accommodate different modes of travel. In recent years, we have made progress by beginning to implement our Walk-Bike Masterplan. We start 2019 with dedicated bike lanes on two of our six major roadways into downtown Burlington, and the Champlain Parkway will soon improve bike infrastructure on Pine Street. In the near future, we have a chance to make further progress on North Winooski Avenue and Main Street. Only when we have a true network of continuous and interconnected bike lanes will we see our transportation patterns shift in the direction that we need. I look forward to working with the Council and the public to create that network.

One reason that bike lanes are so important is that in the future, Burlingtonians will have additional options for getting around our city and will benefit from alternative transportation infrastructure. In recent years Segways, e-bikes, and shared bikes have begun appearing on our streets, and it is clear that soon the micro-mobility movement will include e-scooters and more. These smaller vehicles offer the promise of reduced vehicle trips, transportation electrification, linkages to our bus lines, and reduced costs for low-income residents. Let's work hard to learn from the many e-scooter pilots that already took place around the country in 2018, and find a way to explore this new form of transportation in Burlington this year.

Finally, I want to address what I see as the third urgent area of work that we will tackle in the year ahead: Our housing policy.

I have spent my entire professional career building and advocating for more homes because the shortage of housing has become our largest social challenge as a region and as a country. Building a wide array of new homes – from more housing for the chronically homeless to more market rate rentals – is the solution to many of our key issues and concerns.

Let me explain what I mean by this:

When we create more homes in our urban centers, we fight climate change by structuring our land use in a way that requires less energy to meet our heating, cooling, and ground transportation needs. Downtown residents produce half or less of the climate emissions of their suburban counterparts.

When we create more homes, we strengthen our local businesses by addressing their top concern: that our shortage of housing makes it tough to attract and retain workers and create new jobs.

When we create more homes, we share the costs of our high-quality public services and amenities over a larger tax base.

When we create more homes, we open up the opportunity for welcoming new Burlingtonians into our neighborhoods, and becoming a more racially diverse and inclusive community.

When we create more homes, we fight income inequality in the most potent way we can as local officials. President Obama released a report just before he left office citing local regulations that stifle housing creation as one of the country's major drivers of income inequality.

And, when we create more resources for those experiencing homelessness, as we did by opening the low-barrier warming shelter five years ago, we make good on our deeply-held value of caring for the most vulnerable in our community.

In short, when we create more homes, we are taking a step toward a future where housing is a human right and where Burlington is the sustainable, vibrant, affordable, inclusive, and equitable place that we strive to be.

Other progressive cities around the country are taking up the mantle of housing reform. In Minneapolis, a grassroots group Neighbors for More Neighbors just successfully advocated to upzone large swaths of the city to address its history of redlining and exclusion. In Seattle, Boston, Madison, and other cities, progressive activist groups are pushing the forces of the status quo to say yes to more housing, with the goal of creating truly walkable, affordable, and diverse cities.

Burlington faces a similar, long-simmering challenge. For decades, well-intentioned but highly restrictive land use rules have kept housing supply from keeping up with dramatically rising demand. As a result, the average Burlingtonian spends more than 40 percent of their income on rent, making us one of the most expensive communities in the country to live in.

For the last seven years we have been charting a different course with a two-part strategy: 1) We have continued Burlington's proud legacy of building as much permanently affordable housing as possible; and 2) We also have pursued policies and proactive efforts to create more homes for households of all backgrounds. This second strategy recognizes that there will never be enough subsidies to solve our housing problems with traditional affordable housing solutions alone, and that all new homes, not just permanently affordable homes, are important.

This effort to increase more homes for all – more housing supply – is working. There has been anecdotal evidence of this for a while, including last spring when Seven Days reported that the 300 new beds in Champlain College's 194 St. Paul Street building were "spurring competition to fill



student rentals that once could practically lease themselves... In response, some landlords are cutting rents. Others are waiving deposits.”

We are now starting to see this progress in the data. The City recently commissioned a study of vacancy trends in the apartment market. We studied vacancy rates because very low vacancy rates drive rent increases and often other problems for tenants and the City.

The report findings are clear. During the years 2006 to 2011 the city produced only 67 new apartments and had an average vacancy rate of just .7 percent during that period. Over the past seven years housing production jumped to 579 new homes and the average vacancy rate more than doubled to 1.5 percent.

Now, let's be clear – 1.5 percent is still too low. We will need to see sustained vacancy rates of twice that or more to get to our affordability and inclusion goals. However, these trends of increased new homes and rising vacancy rates refute the idea that new housing supply doesn't matter, and should be seen as a call to more action.

There is much more for us to do. For years, we have had consensus that numerous local regulations were getting in the way of creating new homes, but progress to reform them is not happening quickly enough. One example of this is our process to reform our Inclusionary Zoning ordinance. Following two years of review, it is time to act and bring our ordinance into alignment with the recommendations from housing builders of all types in order to create both more market rate homes and more permanently affordable ones.

In order to make more timely progress, we need to bring focus and urgency to this effort. To that end I am announcing tonight that the Mayor's Office will host a Housing Summit in May to review a range of key housing policies, including: our downtown parking policies; rule changes to create more Accessory Dwelling Units throughout the City; increased funding to our local Housing Trust Fund; short-term rental policies; and updates to protect renters from unreasonably and wastefully high utility costs.

We will emerge from that summit with a list of priority housing initiatives that the Administration will spearhead in consultation with the Council, the Planning Commission, housing stakeholders, and the public in the ensuing months. Our goal will be to deliver draft ordinances for these priority reforms to the Council for formal vetting and action by October.

For decades, this community has struggled with the cost of housing. Let us resolve together that 2019 will be the year we accomplish the structural fixes needed to make housing for all a reality.

For more than 150 years, since our founding, Burlington has strived to be Vermont's City of Opportunity, the place in this great state where anyone, no matter their race or their place of birth, their income or their gender, can thrive.

Being such a place requires our continued vigilance and action. By acting to strengthen our infrastructure and financial health, lead the country on climate change, and reform our housing policy, we will ensure that Burlington is truly a City of Opportunity.

I look forward to working with all of you to make it happen. Thank you again for being here, and goodnight!