

## **2019 SOTC – Poughkeepsie, NY; 03/28/19**

Thank you, Dr. Watson. Welcome Everybody to such a fabulous venue for this year's State of the City, and thank you Pastor Marlow Dunham and Jacques Battel for hosting us – it is so fitting for us to be here at Changepoint this year, a real anchor in our community – right downtown, with its doors open and welcoming everyone of all faiths and backgrounds – Changepoint is not just non-denominational, it is multi-cultural, it is inclusive, and it is here, tonight, that we take stock of what community really means, the challenges we face together, and our shared goals and hopes for the coming year and beyond.

This has been an extraordinary year in Poughkeepsie, and I am privileged to stand before you this evening and report on the state of our great city. Without doubt, it has been the work of the last several years that bring us to where we are today, and tonight I ask you to not only consider our progress but to consider how our great city is poised for a revitalized and reinvigorated future. A Poughkeepsie more able to address the needs of its citizens, to attract and welcome more visitors, to be more attractive to new business and employers and carefully crafted-development and – most important – within reach of our highest goal: – *a safer, more inclusive city*.

With the stabilization of the City's finances came the first chance in nearly a decade to make measured but vital investments in city government. We started – and we will continue – with public safety. I want to also take this opportunity to address a recent incident involving a city police officer that has garnered much attention within the community. The City takes these situations with the utmost seriousness and gravity. We hold our law enforcement officers in high regard: but we also hold them to the highest standard. Maintaining the trust of the community is essential to providing public safety, and I commit to maintain that trust.

We've done significant work in the past year when it comes to public safety.

We implemented a program to address longevity of our police officers who leave our department in favor of higher paying positions in neighboring communities. This retention program brought our police salaries in line with our peers, while reducing the city's cost of healthcare, which is one of our toughest expenses to combat. We also eliminated vacant-but-funded positions and moved those budgeted funds into salary schedules for the out-years, providing real incentives for our officers to stay longer. Between 2016 and 2018 thirty-three officers left our employ due to retirement or for higher paying positions. Since our retention program was implemented we have hired 9 and we've lost... zero. Even better, of the 9 we recently hired, 4 transferred to the City – already trained and

ready to get to work. And we will be hiring an additional six officers who will be entering the Academy in just two weeks.

Imagine if we hadn't done that?

When I took office as your Mayor, our officers hadn't had a contract in 3 years – we asked for help from New York State's Financial Restructuring Board to resolve that long-standing problem; and we got that help – not because we asked, but because we wrote a turnaround plan that decision-makers in Albany believed in. Today, our Police Department is nearly fully staffed – and a return to community policing and increased foot-patrols are no longer wistful thoughts of years past, but real conversations about our immediate future.

Tonight I am pleased to announce that, because of our increased staffing levels in our police department, the City's previous COPS grant award can be reactivated this year, bringing back to the City over \$680,000 in federal funds.

I want to thank Congressman Sean Patrick Maloney, and Senator Charles Schumer, who kept that funding alive for more than three years while we worked to reach the target staffing levels the grant requires.

We arrive at this point, having done the things we have, better able to address the issues that matter most to you. We got here because we worked together. Our Common Council was engaged in the process, asked the right questions, and worked with the Administration and the Police Union to set priorities for needed improvements and modern technology. This year the 2019 budget funds body cameras for our Police Officers and Chief Pape and the Command Staff are already working on procurement and implementation. I am pleased to report that we are on-track for a roll-out this fall.

In 2018 our City's Fire Department saw its busiest year in over 120 years of service to our community. Driven by a significant increase in both commercial projects and the uptick in residential housing projects, the fire department responded to more than 5000 calls for service, representing a 16% increase in a single year. We expect this trend to continue – as more than 1000 residential units and multiple commercial projects are at various stages of completion. As we saw with our police department, the success of our financial stabilization efforts took hold in time for us to begin investing in our fire department again.

Since 2017 we've added two firefighters and promoted three firefighters to Lieutenant. Equipment has also been upgraded, adding two new command vehicles and upgrading our Clover Street Firehouse with new windows, new flooring, and electrical upgrades. At our Hooker Avenue Firehouse, we have installed a new boiler, new water heater and an all-building generator. Grant funding also allowed us to purchase new protective gear for our firefighters. Last year our fire department personnel conducted 375 inspections throughout the City, leading to important upgrades that made our community safer. We conducted 40 fire safety classes at our schools and daycare centers, making our children safer and introducing our children to one of the most respected professions in America.

Imagine if we hadn't done that?

Our firefighter's training, skill and bravery led to the successful rescue of a woman trapped in the building collapse on Academy Street on June 18, 2018. Unfortunately, the City also experienced its first multiple-fatality fire in eighteen years, as four individuals lost their lives in a fire at an abandoned building, also on Academy Street. We are redoubling our efforts to address vacant and abandoned buildings in our City. For many years the City lacked the resources to tackle this problem.

Now we do.

Beginning in 2018, with the establishment of an Anti-Blight Task Force, we've cleaned-up, secured, or demolished more properties than at any point in our city's history. Newly hired code enforcement officers are on our streets taking action. We've hired an additional Sanitation Inspector and deployed new technology, all while building stronger partnerships with our non-profit housing partners, such as Habitat for Humanity, Rebuilding Together, and Hudson River Housing. For nearly *thirty* years Hudson River Housing has been working in our community and in the region. Tonight I'd like to recognize and thank their executive director – Christa Hines, who along with a great team is making a difference in our City.

And thank you to all our Housing Partners for your work on our Anti-Blight Task Force, our new approach to systematically attacking blight in our city is working, and progress can be seen throughout the City. One of the most visible examples, is the City's recent taking of the former YMCA building on Montgomery Street. For years our Y's were a part of the social fabric of the City, and so many of our residents still hold fond memories of their own time there. For nearly a decade the Montgomery Street property has stood at an important and historic corner in our city – slowly deteriorating.

It was time for us to act. Today's City Government will no longer stand by while legacy problems continue to fester.

Next week we will begin a lengthy public comment period to listen to our residents, our faith-based organizations, our non-profits and others, about what the best plan for redevelopment or perhaps rehabilitation is for the property. We will be issuing a Request for Expressions of Interest to the development community and all our stakeholders, from our hospitals and colleges to community foundations and others, which may find natural connections between their own missions and some of the ideas we hope to hear in coming months.

We know that attacking the problem of vacant and abandoned properties requires a multifaceted approach that strategically cultivates private-sector investment, while at the same time protecting access to affordable housing, that's why we're excited about the opportunity to partner with the County in establishing a land bank.

Many of our goals and objectives for the coming years demand greater community outreach and engagement with our residents in order to assure we all have an opportunity to contribute to the important decisions that are before us. And to that end, it is our responsibility to make our local government more responsive and inclusive.

Our City Charter created a legislative branch comprised of eight councilmembers, each representing their own Ward here in the City, and one member elected at-large to Chair the Council and move its agenda forward. But carving our small city into Wards does not assure equal representation – equal representation is only achieved when there is an equitable distribution of government resources. How do we foster equity in our City? We start by doing a better job of listening. We do more to engage constituencies that have had less of a voice in civic affairs, yet contribute so much to our community.

Tonight, I am pleased to announce the appointment of the City's first "Director of Community Engagement", who, in partnership with Dutchess County, assumes an extraordinary role at an extraordinary time. Please help me welcome John Penney to the team at City Hall. John is well known to all of us, reporting fairly and providing editorial context at the Poughkeepsie Journal for decades; he will not only bridge divides between us, but his real mission is one that seeks to match the needs of our community with the ability of government to address them. I know John will serve

the City and the County with distinction and will help harness our collective resources as we shift to a more “outcome-based” approach to local government.

We also recognize the city school district is undertaking a search for a new superintendent and look forward to actively participating and assisting the district in any way we can. We realize the fortunes of the city and the school district are intertwined. I want to give my thanks and acknowledgment to acting Superintendent Kate Farrell and her team, along with members of the Poughkeepsie City School Board.

What I enjoy the most about serving as Mayor is when I get the honor of being around our youth. When I get to engage with them I realize what an impact we have on them! And they do not forget. It is our responsibility to lead by example with civility and respect. *Our kids deserve it.* That’s why I created a new youth grant program in 2018. That’s why we increased funding for youth in 2019, and that’s why I plan to ask our Common Council to increase funding for youth programs again in 2020. While funding youth programs is important, we must also do a more exacting job of conveying to children and their parents the existing youth programs run by various and talented organizations – and how they can access them.

Grants are also important to our own mission. For the last three years we have seen a steady increase in grant revenue from a wide variety of sources. Throughout our financial recovery Dutchess County has been a steady partner in many of our most successful endeavors. Tonight I’d like to recognize – and thank – my good friend, our County Executive, Marcus Molinaro. Marcus is one of the hardest-working leaders I know, and he has built the most professional team in County government anywhere in the State. Marcus, thank you for your commitment to the City of Poughkeepsie.

Today I can report to you that the City has more partners, more stakeholders and more investment going-on than we’ve seen in years. In just the last year we have received millions of dollars in grants from the State of New York – from \$2.4 Million for pedestrian safety, to \$1.2 Million for Green Infrastructure projects downtown to \$1 Million to rehabilitate the historic Trolley Barn on Main Street. Private developers and businesses have also been awarded millions of dollars in the last couple of years, from \$1.2 Million for the “HIVE” Project on the corner of Academy and Church Streets, to \$2 Million for the Poughkeepsie Landing project on the southern waterfront to over \$1 Million for Northside manufacturers expanding their businesses.

Grant revenue is up in our police department as well, with nearly \$1.3 Million in grants supporting things like our Behavioral Evaluation and Action Team which is now in its second year, to \$50,000 for a comprehensive evaluation of our 9-1-1 system. It's a long list that we are very proud of, not only because higher grant revenue helps keep taxes down, but because these awards validate our work – they tell us that others have increased confidence in City government, and particularly in how we handle our finances.

Our commitment to strong financial management and fiscal responsibility is the bedrock of many of our accomplishments since I took office in 2016. We have continued to implement cost-cutting and restructuring initiatives that have allowed us to stay under the tax cap the last two years, while still putting more resources into our Department of Public Works, restoring programs that care for and manage our city's trees, pave our streets and repair our sidewalks.

Imagine if we hadn't done that?

Three years of general fund surpluses have boosted our city's bond rating outlook from negative to stable and we know that further upgrades will come as we reduce our deficit and remain good stewards of our taxpayer's money.

This is another area where I thank our Common Council for its diligence as it exercises its responsibility as our appropriating body. I want to particularly thank Councilmember Yvonne Flowers of the 5<sup>th</sup> Ward, and Councilmember Natasha Cherry of the 6<sup>th</sup> Ward, for their work on the City's Finance Committee. I also want to thank our Commissioner of Finance, Bill Brady, and the entire budget team for the consistently great vision and clarity when it comes to the City's \$90 Million Dollar annual budget. By the way, our Council passed this year's budget unanimously, proving once again that we *can* come together and speak with one voice when it comes to the well-being of our City. Recently, the City made its last payment – some \$960,000 – on bonds we've been paying on for more than a decade. Just this month, and again with the approval of a unanimous Common Council, we refinanced some other outstanding bonds into more favorable rates – this transaction alone will save City taxpayers over \$1.2 Million over the next twelve years. Lowering our debt-service costs will further improve our credit rating, saving the city millions more.

Last year, I also pledged to develop a strategy to beautify our parks and make some much-needed investments in them. Under the sound guidance of Superintendent of Parks and Recreation Brian

Laffin, we have undertaken a deeper review and have discovered that the challenges are more considerable than initially thought. We remain fully committed to funding this initiative and will be sending a bonding resolution for the council to consider later this year.

I am pleased to report that our city's conversion to a new multi-million dollar reservoir, located atop College Hill Park is now in the final stages of completion – and discussions have begun on the possibility of repurposing our current reservoir that has been in use for nearly a hundred years. Water quality and the protection of our drinking water at its source is a top priority. The City, along with six other river-front communities that get their drinking water from the Hudson River, has banded together to further this important mission. The "Hudson Seven", as it's called, is an example of new collaborations, and I want to thank Dan Shapley of Riverkeeper for leading this effort. I also want to mention the fine work being done by Poughkeepsie-based Scenic Hudson which is taking a particular focus on the Fallkill Creek and the Northside. Thank you Steve Rosenberg of Scenic Hudson.

Last year, MSN.com ran a fun and lighthearted story about underrated towns across the country, and they named Poughkeepsie the most underrated town in New York State. They said that Poughkeepsie is "hard to spell but easy to love," and I couldn't agree more. This city is finally getting the recognition that it deserves, and judging by the amount of development interest we've been receiving, the investment community is clearly taking notice.

By our estimation, the city is experiencing unprecedented levels of investment, including more than \$1B in development projects. We are seeing growth in industries such as the manufacturing sector, where cutting-edge employers like MPI and Koshii America, both located on Smith Street on the city's north side, are expanding their operations to meet growing demand.

And Growth means Jobs.

Jobs in the Arts and Entertainment sector, while a small portion of our overall jobs, have grown by 144% since 2002, and we expect that trend to continue.

And of course the healthcare industry continues its remarkable growth. Nearly 16,000 jobs in this industry are located within 10 miles of Poughkeepsie, with nearly 40% of those jobs located right here in the city. We've all been watching in awe as Vassar Brothers Medical Center's new patient-pavilion has taken rise – the largest construction project in the county's history – and with a variety of

medical specialists and urgent care facilities, Poughkeepsie has become a *regional center* for healthcare and is only growing.

Last fall, Marist College and Health Quest announced their plans to establish a new medical school next to Health Quest's flagship hospital here in Poughkeepsie. Planning and design is already underway for a new 100,000 square foot building that will house the only medical school between New York City and Albany. Offering undergraduate, graduate medical education and residency programs, the Marist Health Quest School of Medicine will truly define Poughkeepsie as the leading location for medical training in a new, state-of-the-art facility. We are also very grateful for our partnership with Mid-Hudson Regional Hospital Center of the Westchester Medical Center Health Network, located just outside the City, but firmly within our community. These anchor medical institutions are examples of how all our stakeholders are investing and *invested* in the City Poughkeepsie.

To accommodate this unprecedented level of development, our planning and development staff have grown in the last year, a far cry from just a few short years ago when we didn't have a planning department at all. This year, funded by a grant from Dutchess County, we've engaged the Pace University Land Use Law Center to conduct a review and analysis of the city's process, policies and procedures surrounding applications for building permits, site plan approvals and related public requests for service. The PACE review compares our current practices to best practices around the country, and will lead to recommendations that will become our roadmap for organizational change, increasing our efficiency and improving our service to community.

Can you imagine if we hadn't done that?

So today, our City once again has capacity to usher projects small and large through the approvals process and we know what we need to do this year to build on our progress.

The Common Council recently approved the new Poughkeepsie Innovation District zoning for the city's downtown. This will make getting projects approved in this key area of the city more streamlined, and not a moment too soon. City Staff are fielding calls on a regular basis from persons interested in long-vacant sites. And with Rhinebeck Bank partnering with the city to make \$3 Million dollars available for small business loans in the Innovation District, we are more poised than ever to see transformational growth, and I want to thank Mike Quinn of Rhinebeck Bank – *thank you Mike*.

Many sites are already under redevelopment. Queen City Lofts on Main and Bridge Streets is near completion and in the process of leasing its residential and commercial space.



The 'One Dutchess Avenue' project on the northern waterfront is well underway with its first phase of development, including 140 residential units.

In the Middle Main district, our partners at Hudson River Housing are building 78 new supportive housing units on Rose Street.

In the heart of downtown, 40 Cannon Street has been transformed from a long-vacant eyesore to an anchor on the block, with apartments, a brewery and wine-bar, a coffee shop and an art gallery.

At the corner of Mill and Catharine Streets the proposed Crannell Square project will bring needed new residential density with this mixed-income project.

In all, the city has more than 1,000 housing units and more than a million square feet of commercial space that has either recently come online, is under construction or is in the development pipeline.

But we will not measure success solely by the number of cranes in the air. We will engage in solution-minded conversations about the risks that accompany development booms – we've seen some examples of those risks here in the past, remembering the formation of the Main Mall that turned a part of Main Street into a desolate area, the creation of the arterial highways that have severed neighborhoods, and other ill-advised ventures the costs of which we know well.

Risks lurk among all this good news. The risk of decline in affordable housing – risks to home ownership as property values rise, and we must remain vigilant in order to ensure our City does not become just another bedroom community as development marches up the Hudson River.

Let me be clear. These are not issues that divide us, these are issues that unite us.

What we cannot do is nothing, for I can tell you with certainty, while change is inevitable – the *kind* of change is not.

There is still so much work to be done.

We began work on a major update to our Local Waterfront Revitalization Plan, a document last updated in 1998. This year we will begin the long-delayed update to our City's Comprehensive Plan,

a two-year effort that will update a document also crafted back in 1998 and that will guide our forward path for more than a decade.

We will work inclusively, and with renewed vigor, to finally bring to a conclusion our city's long debate surrounding the Southern waterfront's development. These are not simple tasks, and many of *you* will contribute to their completion. As your Mayor I have set these priorities, and with *your* help – we will achieve them.

Challenges and how we face them are often our defining moments. The most rewarding of our accomplishments are usually the hardest of our achievements. That's the thing about community – we come together to cheer our victories, but we also come together to tackle the big issues – we are not afraid to wrestle with complex challenges and we will not pause in our pursuit of solutions.

Speaking of victories – we have with us tonight a group of young men who epitomize what working together is all about. It isn't easy – it requires leadership – and great coaching – teamwork – and tireless focus, and so much more – and let me tell you, I think there is a lot we can learn from these young men – Ladies and Gentlemen, please welcome our city's, *your* city's –

Pioneers: *The Poughkeepsie High School Basketball Team* and the New York State Class A Champs!

Four years ago, we accepted the challenge – a considerable challenge – to turn the city's misfortunes into something more positive. Today, Poughkeepsie has momentum. What's so inspiring to me is how that vibrancy is expanding – and how it fuels our expectations for this year and the years ahead. There is a flurry of activity at City Hall. There is real BUZZ in that building. There is an energy and enthusiasm that was not there three years ago. And for the first time in a while, a Mayor can stand before you and tell you that the state of our city is strong. The results of our efforts are real, they are measurable, and if you take a look around you can feel it.

The resurgence of Poughkeepsie rests not in the hands of one individual or one group of people. The credit belongs to all those who work and live here, all those who made the decision to invest in our community, whether by purchasing a home, fixing-up a property, or by starting a business.

The credit belongs to the three hundred and sixty five employees of this great city who take pride in their work and service to our community.

The credit belongs to the more than 30,000 residents who call Poughkeepsie home and share our passion to work together for our common good.

The credit belongs to you.

*Just imagine what we will do together in the coming years.*

Thank you and God bless the great city of Poughkeepsie.