



## **Mayor Daniel Rivera – 2018 State of the City**

Good evening. Council President Vasquez, City Councilors, elected officials and fellow Lawrencians. Tonight I will report to you on the state of our City.

We have spent the last year making our case to voters, stake holders, unions, really anyone who would listen to you and I about why we should be re-elected or elected as the case may be. After a year of campaigning the people chose us. Now we must lead and Make Lawrence Better for everyone.

Tonight I would like to frame my message to you by quoting an old Chinese curse: "May you live in interesting times!" Presumably, this is a curse because during interesting times everything in one's life is harder.

Ladies and gentleman I am happy to report to you that the State of our City is Strong,

but we are living in interesting times. In Washington, the federal government struggles to keep its doors open, there is an investigation into our president's conduct, and partisanship and division is the norm.

On Beacon Hill, we have a hard working State delegation, but there are budget problems, transportation issues, the State insurance commission almost kicked us all off our insurance plans. To top it all off it's a State Election year. Last year in the City of Brockton, MA they laid off over 190 teachers. This week in Everett, MA they are discussing laying off over 100 school employees, over 50 of them teachers.

In cities across the country women and men are taking to the streets to protest for women rights, the treatment of immigrants and treatment of black men by police. Every year the Federal and state governments get pushed to do less and less for individuals, for communities, or for businesses by not raising taxes, or cutting back huge parts of the tax base. Even the financial markets just in the last few days have made everyone concerned about the future of our economy.

Times are truly interesting, and for a community like ours these times are as interesting as we want them to get. The good news for us is that while we remain a community that is not as affluent as many that surround us, we have made tremendous strides in building fiscal stability in order to weather these storms and reduce the impact of these "interesting times".

In July of 2017, we passed the 7th balanced, municipal budget, on-time. That budget was also the 6th in a row passed without borrowing money to balance it. These budgets all have in common conservative revenue estimates, and tight, barebones spending plans. At least in my time as mayor, we have also been frugal throughout the year and implemented policies to ensure day to day operations in each department to keep them within their budgets.

As recently as 2011, the City was only collecting 93.6% of its taxes. You may think that is pretty good but, that left over \$3 Million dollars on the table. This last year the percentage collected was 98.05%, decreasing the amount not collected to \$1.5 Million, and we will continue to reduce that number.

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The City also used to suffer from an inability to collect past years taxes from people who had just refused to pay or had continued to carry large sums of unpaid taxes. We have changed that and in the past 4 years and We have collected more back taxes than the previous 9 years combined; to the tune of \$8,710,000.

All this has led to our city closing the fiscal year in the black and with a historic high of \$14 Million Free Cash Reserve. I always want to remind everyone that Free Cash is neither Free nor is it Cash we can use for ongoing expenses. So, we cannot use this \$14 Million to pay for police salaries, teacher salaries, or overhead. If it's an expense that we will have year over year, that money cannot be used for it, the state won't allow it. We can and do plan to use it for one time investments and for one time emergencies around staffing, litigation and or natural disasters.

Our administration has been able to build this financial stability through the work of Mark Ianello and his staff along with the wise counsel of the State overseer, the support and leadership of the City Council and the taxpayers of this community.

As I looked to report to you about the state of Public Safety in our City it is really a tale of a City in transition. While some crimes have broken records for being too high others have broken records for how low they are. It is without a doubt that the homicides, driven primarily by the violence of the opioid epidemic and domestic violence, must and will be dealt with.

The other crime categories that have broken records in a positive way must be talked about too. There has been a 7% Reduction in all Part I Felony Crimes, 24% Reduction in Robbery, 30% Reduction in Residential Burglaries, the lowest since at least 1999 along with a 30% Reduction in MV Theft; the lowest since 2008. The Lawrence police were able to maintain these rates while responding to 65,912 Calls for Service, 18,874 M/V Stops and 2,355 Arrests. This is more calls for service than a big department like Lowell gets annually. Trust me; I know we are not considered making gains in public safety until people actually feel safe. That is our goal.

As you know we had a change in leadership at the Police Department and I am in the process of putting together a search committee for a permanent Chief. You should know that the process will be open and transparent and it will yield us a great Police Chief. You will play an important role in that process.

In education it's important to report on a few developments of note. First, the trend of making the Lawrence Public Schools system focused on the teaching and learning of children, increasing graduation rates and decreasing dropout rates continues. However, in November Jeff Reilly announced that he would be leaving his position as both superintendent and receiver of the Lawrence public schools this summer. While the progress of our city schools was the result of many teachers, parents, staff and students Jeff's leadership in keeping us focused and on task cannot and should not be understated. We thank him for his service.

As some of you may know last week the Board of Education tapped Jeff to be the next Commissioner of Elementary & Secondary Education in MA. They chose him for many reasons but his work here in Lawrence was mentioned by each member of the board. We should be happy for Jeff and proud because in this instance Jeff's success is our success.

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We need not fear that our City's schools progress will back slide. In Jeff's transition The acting DESE commissioner has chosen a group of people to take over the role of receiver. They are calling it the Lawrence Alliance for Education. I am excited about the composition and the quality of the members to the Lawrence Alliance for Education. It is made up of 2 current school board members, and ½ of the members live in Lawrence with the leadership of a great education champion John Connolly this makes what could have been an outside body running our schools a more inclusive effort, open and transparent, with considerable local control.

This is a far cry from a one person receivership. Now we have to get to work picking a new superintendent - the time is getting late, we have to settle the contract with the teachers, and I also think we need to focus on getting a real CFO with accounting experience in there to open the books and report out the fiscal condition of the System. In education this next step is a big win for local control, but reminds us all there is much to do to keep the progress going.

In Economic development news; the city continues to draw private investment as we grow our economic base. Over the next 2 years the city will see over 1,000 units of housing coming online. This is especially important as we work towards alleviating the housing crunch in our city. The mill conversions represent 7 large mill buildings being developed. The story of empty mills in Lawrence is no longer true. The story of our mills is one of vibrancy, job creation, loft spaces, and creativity.

Our neighborhoods are experiencing new life with hundreds of units being brought back on line by local developers. Thanks to the work of the Distressed Property Task Force, the pace of transforming abandoned and dilapidated buildings to quality housing is faster than ever. This process has helped us stabilize neighborhoods.

On the commercial side we have seen continued growth. This past year, my office helped 2 businesses receive state tax credits. One employed 143 people and is now in the process of hiring another 50. The second will be adding 30-40 jobs in our industrial park. Our industrial park is now experiencing its highest level of occupancy in a very long time, signaling the interest that exists for space in Lawrence.

With development in Lawrence, we know that we must set the stage for these things to happen. Development does not happen on its own. We continue to work on commercial sites to prep them for development. For example, this past year we received \$550,000 from the EPA to help the clean-up of the contaminated 14 acre site on Marston St known as Tombarello. Within 2 years, I believe this site will be positioned to finally be developed. Finally, in short order we will begin to see work at the Showcase Cinema site, bringing us a state of the art animal hospital and will even have Lawrence's' first ever Starbucks. This doesn't count all of the Job growth over at Sal Lupolis Riverwalk Development which houses over 4,000 jobs.

When we think about all the work that our DPW department does we are well staffed to meet the needs of our constituents like no other time in recent history. Later this year we will spend \$1 Million to fix sidewalks across the City. This summer we will spend \$1/2 Million on tree removal & treatment. We will also pave streets as we do every year and this coming year we will make a \$1 Million dollar investment in fixing our Cities basketball courts, like we did with the baseball fields before. This work will improve our

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infrastructure and our public spaces. We are also focused on trash. I will work with you to deal with this matter as we go out to bid for a new trash hauler this year. In all, we are going to be in a place where DPW is well equipped and staffed to deal with all we throw at them.

I want to draw your attention to the PowerPoint presentation that department heads and I put together. It gives more details about the each department's activities over the last year and I encourage you to review it. You will see the new dance floor we installed at the Senior Center, the new A/C and heat unit we installed at the Library. The progress we have made in maintaining our Cemetery, the hard work of our fire department and recreation departments. Please go through it and feel free to reach out to the department heads and ask them questions if you have them or give them praise as you see fit. That presentation reflects the everyday work of Making Lawrence Better and the pride the staff takes in accomplishing that work.

In closing, I will reiterate that while the world around us is a sea of tumultuous waves and unpredictable events. The State of our City is Strong.

We are well placed to fend off financial threats, external threats and internal problems. It is only us that can weaken our position. If we do not make the hard decisions now, if we do not make the needed investments we will weaken our position. But like the voters this past November I have faith and confidence in us to get it right and to stay the course. Together we will maintain our City's strength and we will make Lawrence Better.

Thank you and God bless you and God bless the City of Lawrence.