ALBANY MAYOR KATHY SHEEHAN'S 2019 STATE OF THE CITY ADDRESS

MONDAY, JANUARY 14, 2019

Good Evening. In the interest of everyone's time I want to get started and I want to thank the Common Council for joining me tonight in the Common Council Chambers for me to provide my address to the Council on the state of our City. As I talked about last year, the focus that we've really had in my administration is on being a city that leads. And I am pleased to talk about some areas in particular over 2018 and into 2019 where Albany continues to lead from innovation and equity to the environment and revitalization. We are focused on building a city where every neighborhood works, and that means creating a city of opportunity.

I look forward to discussing the progress we've made together and with so many goals that we have for 2019 and beyond, and acknowledge the partnership that makes many things possible, many of our accomplishments possible, the partnership that we have with our Common Council.

ALBANY LEADS ON INNOVATION

So, let's start by talking about how Albany leads in innovation. We have done a lot of work in the last year continuing to build on investment we made in moving our city into the 21st Century. *That includes launching an online employment portal, so now all of our applications happen online and you can sign up for a civil service exam 24/7, 365 days a year.* We partnered with the Albany Public Libraries to ensure that we could increase the recruitment of individuals for City jobs and assist people with online applications. We also installed electronic portals across the City. If you go up to the Personnel Office today, it's truly been transformed. Where there used to be a big barrier between people coming in and people behind the desk, it is now open, we help people with their applications, and we are really working under the leadership of our Human Resources Department and our Commissioner of Administrative Services. We want to ensure that we are doing all that we can to attract and obtain the best employees.

We also have moved a number of our records and done an incredible work with our records management, all to get the paper out of this building and really be able to focus on being more effective and efficient. We customized our electronic timekeeping system for the Recreation and Fire Departments, so with the

investment, we continue to improve on it, and to look for ways that we can ensure that we are getting the best use out of the tools that we have. We've updated our Policy & Procedures Manual to reflect the fact that we are a 21st Century city, updating many of our outdated policies. We have done training throughout the city on important areas like implicit bias and cultural competency. These are areas where the police department lead and we have followed with, including that training throughout the city and across all departments. And we're also looking at getting more effective, efficient, around worker's compensation. We have been very concerned about with the increase in our worker's comp costs. I'm pleased to say that under the leadership of our Commissioner, Sergio Panunzio, we have seen a 16% reduction in the cost of worker's compensation, just in the Department of General Services. Outstanding work done over a very short period of time.

And we also continue to be a Lean City. I told you that in 2017 we partnered with New York State to become the first municipality to implement a Lean office. As a result of this work, City employees logged over 170 hours of Lean training. Our Office of Innovation and Performance has worked with departments on Lean projects to find efficiencies and cut waste which resulted in saving over in 27,000 sheets of paper and nearly 400 hours of staff time. We cut 2,400 miles of travel by moving to an electronic system, meaning less driving between offices.

And just today our Lean office received an award from New York State called the "Outstanding Lean Performance Award" to recognize the work that they have done. I want to thank Ann Marie Salmon and Phil Suruda, who are from our office of Innovation and Performance, for leading the charge on this important work.

And that recognition doesn't really stop with our Lean office. Because of our investment in Lean, because of our willingness to embrace new ways of doing things, we were one of 40 cities in the country selected by Bloomberg Harvard to participate in a Bloomberg Harvard City Leadership Initiative. And as part of that program our working with Bloomberg and Harvard on the project to prototype innovative solutions to one of our most perplexing problems, the problem of blight and vacancy.

WHY INNOVATION MATTERS

And so, why is it important? Why is it that we focus on Lean, and we focus on efficiency? First of all these investments are improving our outcomes – they're helping us to balance our budget. We've been able to hold the line on taxes, our

2019 budget was passed unanimously by this Common Council, we have not seen a reduction in city services that we all feared, and we've been able to enhance our ability to provide high-quality services. And the other piece of this that is so critically important is that we're seeing a change in employee morale. We are seeing a change in how our employees, particularly those who work in administrative services, look at their jobs. They are empowered; they are empowered to work with us using Lean principles to cut out waste, to deliver better service directly to our residents, and to ensure that we aren't doing things just for the sake of doing them. And we are really seeing a transformation and an embracing of this across the city.

CAPITAL CITY FUNDING

And so, what does that do? It certainly supports our call, again, for Capital City Funding. When we've been able to demonstrate that we can balance our budget. If this inequity in unrestricted aid is fixed, then I believe we've made an incredibly compelling case to NY State. Our ask for \$12.5 million has not grown. We didn't make the number up. By definition, it's structural. If it weren't structural then that amount would increase as our personnel costs have increased, as our insurance costs have increased, but we've been able to innovate and we've been able to work to ensure that our budget grows in a way that is responsible to our taxpayers. But unless this inequity is fixed, we will continue, year after year, to have this \$12.5 million gap. I mean, as this pie chart shows, as the graph shows, we are treated like no other city in the state. We have received less unrestricted aid than Syracuse, Rochester, Buffalo, Yonkers, Utica, Troy, even Schenectady, and that's in a city where the state owns 38% of the value of all our property, more than all of our homeowners [and businessowners] combined. So we made these investments because I remain committed and my administration remains committed to making the case to make this permanent, and we're going to continue this fight this year and I hope you will join me in that fight to make this change to our formula permanent, and to ensure that the city gets its fair share.

ALBANY LEADS ON EQUITY

So, a lot of people ask me, right, like why do you care so much about numbers and investing in technology and measuring things? Well, it's because we have such a firm and strong commitment to equity and the City of Albany leads in equity. The new legislation proposed by Council Member Dorcey Applyrs and our Common Council President Corey Ellis really creates the opportunity for the

Council to more deeply partner with us in our efforts to ensure that we are spending our scarce taxpayer resources in an equitable way. So, let's look at the percentage of roads within each ward that are in poor condition, let's have the conversation about the last time we invested in a park in a particular neighborhood or community, let's have the discussion around understanding when we make capital expenditures, where those funds are going and why. And our investment in technology and our commitment to being effective and efficient, has allowed us to move from a conversation that was purely based on the needs, you know, that we thought might exist without having real understanding of what was going on. And so, we look forward to partnering with the Council on that legislation. We're already moving forward with creating metrics and ensuring that we can track things in a way that allow this body to have a true, deliberative conversation around equity, and around the investments that we need to make to ensure that everything really works.

We've also made a commitment in our equity agenda in connecting people to the opportunities that exist here, and connecting people to jobs. This has been a major focus in 2018, and I'm pleased to report that using the funding we've received from the State, we were able to give 46 city residents scholarships of more than \$110,000 for them to get specialized career training credential through our poverty reduction initiative, CAPRI.

We formalized a partnership with Schenectady Works and CARES Inc. to conduct follow-up pipeline referrals, and we're starting a partnership with Albany Medical Center and St. Peter's Hospital, two of the largest employers in our city, to ensure that there are wrap-round support services for our residents so they can stay on track and stay employed once they gain that employment, and then have the opportunity to expand their credentials and move up the ladder. That is funding that is going to help to ensure that if somebody needs childcare, or if somebody has an unexpected medical condition that may befall a parent, that they don't end up unemployed. And that is one of the biggest challenges that we have in many of our neighborhoods, it is that people are unstably employed, and so, these funds are designed to ensure that people get the resources that they need to remain employed. We also provided \$23,000, which doesn't seem like a lot of money, but it was \$23,000 to various individuals who needed help with non-tuition expenses, they needed books, they had fees to pay, they needed uniforms or tools; or imagine, you finish your training and you don't have the money you need to take the exam to get your certification. So we're trying to ensure that we're moving all

those barriers out of the way and we know that it's resulting in individuals getting access to the work force and getting access to opportunity to remain stably employed.

Our workforce development folks at 175 Central Avenue served over 3,000 individuals over 2018 – they provided an additional \$200,000 to train adults and dislocated workers. And we collaborated with the cities of Boston, Baltimore, Louisville, and Southeast Arkansas to win an award of \$540,000 that will be spent over the next three years, and those dollars are workforce dollars that are aimed at justice involved citizens between the ages 18 to 24, working to provide job placement and support services for some of the hardest placed individuals.

My Brother's and Sister's Keeper continues its commitment to workforce innovation. And we are working on two additional academies, remember when we did a hospitality academy? We now have a commitment to two additional academies. One is a Pre-Construction academy that will provide 18 to 25-year-olds with life skill and specific job skills in construction trades. We're going to get 60 certified, we're going to train 60 individuals, provide 60 certifications including job shadowing and on the job apprenticeship and a partnership with employers so that when young people finish this training, they have the opportunity to apply for, and we hope, gain employment with our employment partners. And we have a Health Care Academy that is going to be doing the same thing, working with Mildred Elley and BOCES to provide youth certified training as a CAN and LPN.

We also held our first ever Second Chance Job Fair. We heard that many individuals who had been involved in the justice system often don't go to job fairs because they're concerned about what will happen when they put that resume on the table where they expose that they may have been formerly incarcerated. So, we wanted to create a safe environment. We went out into the community, we held a number of trainings to prepare people for this job fair, and we had 20 businesses and nine community based organizations. Over 200 job seekers participated and these were jobs along the pay scale, some were minimum wage but we had jobs that paid up to \$25 an hour represented at that job fair, and we, as I said, also held a series of workshops. This is something that we want to continue to do in 2019.

Our Summer Youth Employment Program provided jobs to 989 youth. We had 100 employers participate, including private employers, as we tried to ensure that there's a pathway for our young people. When they turn 16 or 17 years old we want them to be able to access jobs in the private sector. We continue to provide

young people with enrichment – learning about what they can do with a career pathway after high school advancing literacy and knowing their rights. And we also had hundreds of children, young children, participating in six camps and 11 clinics this Summer.

We held events that really met community needs, including building a sustainable city. We had a very emotional discussion around the impacts of domestic violence with Lisa Good and Urban Grief. We talked about getting ready to go back to school, and thanks to Eva Bass, who is our community outreach coordinator, we also opened up City Hall to ensure that we could collect books for young people, cash for coats, and ensure that we're meeting the needs of the people in our community.

We continued to invest in parks in every neighborhood in the City – including those that had fallen into disrepair and been ignored for decades. And we even created a new park with the Malcolm X Park on the corner of Lark and Clinton – responding to a desire from within the community. I'd like to thank the Common Council – especially Council Member Joyce Love – for partnering with us to get this done. We also worked to ensure new backboards and rims were installed at the new courts at Arbor Hill Park last year.

And we continue to ensure that we are building equity in our parks. We – Joyce Love knows – we worked with the community to rename the park space that is at the corner of Lark and Clinton, "Malcolm X Park", and we have since met with the community, and we have plans in place in 2019 to ensure that the space is used and enjoyed by the community in the way that the community wants to enjoy it, creating a lot of vibrancy and safety in that area of the city. I want to thank you, Joyce, for your partnership on that.

And we've opened a new park at Mount Hope. We had another park that was nearly completed, over in the Ten Broeck Triangle. We weren't able to get that open before the weather got cold, but we'll be celebrating there in the springtime as well. And as many of you know, we are planning a master plan for Lincoln Park. The unveiling of the draft plan, that is being presented to the community for their input, is happening tomorrow night, at six o'clock at TOAST. I encourage you to go. People really from all types of users of that park participated in that process and I think you'll be really interested to see the final result.

You know, the City has made investments in West Hill, but this remains one of our most challenged neighborhoods. But recently, we had individuals like Tim

Doherty, who lives in West Hill, whose been very active in the community. We have a number of people who've been there for years, who are active in the community, and we have leadership that is actively engaging with us about finalizing a West Hill Plan. You know, candidly, we didn't always have that cooperation across the board, but under the leadership of Council Members Balarin and Robinson, I'm confident that 2019 will be the year that this plan finally gets done, and we can move forward and we can move forward and start to have some real successes that we can point to in West Hill, and in that neighborhood.

And that brings me to the South End. You know we, again, have invested a significant amount of time and resources into the South End, and I think that, you know, we can go back and do some before and afters and really see how far the South End has come. Now understanding that, there's still a great deal of work to do, and it's time for us to revisit the South End Plan. You know, that was a plan that was very aspirational, and when we did our zoning and created an overlay zone in the South End, that was also aspirational. It's time for us to get down to the brass tacks and talk about what we can accomplish, what we can work together to do, and of all of the incredible ideas that exist for the South End, what are the priorities that we need to ensure we're focusing on and driving resources to. And again, I look forward to working with Councilmembers Johnson and Applyrs to move forward. We're going to find the funding, I'm already begging a few folks, I don't have to beg, but you know, persuading people that this is an investment we need to make. There were a number of partners that helped to pay for the original plan, so were working, reaching out to those partners, so that we can have the resources in place in 2019 and do this work, and we'd love to get some quick wins as well, so that it's not all planning but that we can point to some real wins in the South End as we move forward.

PUBLIC SAFETY

So, I want to talk a little bit about the commitment that we have, in this city, to public safety. We have a commitment to community policing, and to 21st century policing strategies that were put into place under President Barack Obama. And, our equity agenda plays a strong role in the work that our police department does. I'm proud of the work they do. They are a national model for its policing philosophy. And this year has been a year of significant change for the Albany Police Department. After a national search, we hired a new police chief, Chief Eric Hawkins, we have a command staff, and we have a new class of officers going

through our academy. We know that there has been a lot of change but we also know that we have the right leaders in the right places, doing the right things.

It was a very, very challenging year for all of us. It was an incredibly difficult summer. And, you know, we have at this point in time, recognized that we all must come together in order to address those public safety issues.

One of the things that we did, and this is really kind of a diversion from where we're going, but I did not want to pass this up without talking about why we decided to join other cities in a law suit against pharmaceutical companies, over the opioid epidemic. This is a drain on our resources. And while a drain on our healthcare system has been significant, and I understand and applaud the county for leading the way, and bringing a lawsuit. We had significant costs in public safety that we are bearing as taxpayers, and those are resources that are being diverted from other important work that we need to do, and so I felt that it was very important that we take a stand and join that lawsuit.

So, as I've said, we've had concerns about public safety and last week Chief Hawkins and I went knocking on doors and visiting businesses after the assault on the corner of Chestnut and Swan Street. The police department is deploying new technology, and strengthening existing programs that we know work, and preparing a plan for the upcoming summer. No violence is acceptable, but last summer was unbearable, and we cannot and will not go through that again. (Applause)

That brings me to one of the reasons why we purchased our street lights. Yes this is part of being an environmentally strong city. It's about saving energy, those are incredibly important. But over the course of the last eighteen months, this initiative, for me, became something even greater. This streetlight conversion is about recognizing that criminals exploit environmental factors to their own ends to commit crimes. We know this. The darkened areas where so much crime occurs in the City of Albany will look much, much different come spring. Between the new camera system being deployed this year and our lighting capability, modern LED lights, our ability to identify criminals, by face, in real time, will be greatly enhanced. My message to those who use these areas and our streets for violence is short and clear: Get out, and Get out now! (Applause)

So, that brings me to this headline (thanks *Times Union*). I don't know if you can read it but we did this incredible knocking on doors initiative because on a serious note, we had some incredible fires that devastated families. More than one

hundred people displaced by fires this summer. And we did point out that some of those fires are caused by people who are not attentive to their cooking, and so we went door-to-door in the student neighborhood and the *Times Union* gave us this headline that we were providing safety tips for stoners, but that's not the purpose of it. We were providing safety tips to our families, to students, to ensure that they're alert and they're safe. And I cannot imagine the amount of work that went into the Fire Department's deployment of resources given all the fires that we had. It really points out the need to ensure that their gear is up to date, that we have enough of that gear, and that they were successful at getting grants and also in opening and unveiling their new training that's going to allow them to improve even more, the training that they provide to our firefighters. So, under the leadership of Chief Gregory, I just want to thank our Fire Department and all our firefighters for the work that they do. (Applause)

ALBANY LEADS ON REVITALIZATION

We will continue to take City Hall on the road and we will do more in 2019, but we are also leading in revitalization. We have seen a lot happen in the last year in the City of Albany and the first that we are celebrating is the winning of a \$10 million Downtown Revitalization Initiative grant award for Clinton Square. This was the culmination of three years of work on part of many people across my administration, whether it was working hand in hand with the Capitalize Albany Corporation, under leadership of Sarah Reginelli, our community development organization, because that is an integral part of the work that we need to be doing in a DRI. We need to be impacting neighborhoods and ensuring that the funding that we're spending in the DRI zone is going to benefit neighborhoods throughout the city, like Arbor Hill and Sheridan Hollow. So, under Faye Andrews' leadership, we are really working to be innovative around what we propose in this DRI plan. And I'm really excited. It's \$10 million dollars, we're in the process now, we've noticed all the meetings. Come to our meetings. Find out what our projects are. Make your voices heard. We really want you to participate in this so that we can ensure that when we spend those funds and we grant those awards, we're going to see transitions and transformations happening over the next eighteen months. We've also been very successful in the funding that we received from the Regional Economic Development Council. I think some people were concerned when we got the \$10 million DRI that it might impact some of our city projects. We've had a great year. Almost \$6 million in projects in the City of Albany were funded.

And then the big news. Finally, finally, finally, North Pearl Street is now in the hands of Redburn Development. They have committed to a \$78 million investment. This is a transformative project that involves the renovation and rehabilitation of seven outdated and neglected properties representing more than 450,000 square feet of space to create new, and I stress this, mixed income apartments! There is affordable housing as part of the work they are doing, workforce housing as part of the work they are doing, and market rate housing. Really creating vibrant, mixed income apartments throughout the downtown of our city. Commercial space, retail space, and much needed parking. This is a project that we have all been waiting for and it is finally here and part of the reason that it is here is because we made the commitment in the DRI to make the investments in our streetscape, in street safety, in crosswalks, in new lighting, in order to make this investments something that attracted the attention of Redburn Development. So, we are very excited for that. (Applause)

So we're moving forward with Maiden Lane. Now we're finalizing the plans for that. We have funding in place to make improvements to enhance this downtown area. With the Facade Improvement Plan we've really been successful in pushing this program out beyond our traditional commercial districts into our neighborhoods, and with your help, we want to do more in 2019. If you have businesses in your neighborhood that you believe will benefit from this program, we'll sit down with individuals and walk them through the requirements, and permits are, and help them through other funding sources if they're struggling through the 50-50 match, but we want to make sure we're spending these funds where they matter. In the 14 awards we had in 2018, West Hill, the Central Business District, another West Hill, Arbor Hill, the South End – we want these lists to reflect what you're looking for in developments in your neighborhoods.

We've been talking about the Home Leasing affordable housing project on Clinton Avenue for a long time. Well, now we're seeing construction. 210 units, 70 row houses, a lot of work that is happening along that corridor, and again, the DRI funding is committed to ensuring that we are making the public improvements to make this a success. This is something I'm really excited about, and that's what the DRI provides.

Under the leadership of our Community Development Agency, [we awarded] 39 homeowner assistance grants, [and] we help people purchase homes and stay in their homes. With respect to the vacant building housing program

which I announced in 2017, we were able to give out 16 grants. There are four more available. So, it's working just as we wanted it to work, taking vacant buildings and breathing new life into them. We have seen in our Codes Department under the work we have done and you have done, you have helped us by strengthening our vacant building regulations. So I want to thank you for doing that because it's helping to make a difference. We saw a decline in non-fire demolitions that are continuing to go down, we have tremendous leadership in the Buildings and Codes Department and I wanted to thank Rick LaJoy for taking on this challenge. I will tell you I get calls all the time from contractors, from homeowners, thanking me for the kindness and the respect they were treated with by Rick LaJoy and the team he has put together. (Applause)

ALBANY LEADS ON THE ENVIRONMENT

And we're leading on the environment. As I said, we're buying back our street lights, and we continue to work on trash. And we have made tremendous progress. We now expect the Rapp Road Landfill to remain open to 2026. The good news is, this allows us more time to plan. The challenging news is, the RFPs we put out, we are not able to execute on because we now have so much life left in the landfill that nobody can quote their pricing for the period of time they need to hold it for. But in the long run this is good news for us. It gives us more time to plan, and to talk about equity in respect to garbage, more time to talk about what is going to be the right thing for the City of Albany and our residents as we move forward.

We continue to increase recycling notwithstanding the change in the market. We do believe the market will spring back and we have to be committed to doing the right thing for our environment.

We're also cleaning the Hudson under the leadership of Commissioner Joe Coffey. We have executed on incredible projects over the course of 2018 that a lot of people didn't necessarily notice, but it's creating interceptors that are reducing the amount of floatables that are getting into the Hudson River and moving forward with Beaver Creek Clean Water Project that will really transform part of the South End and will result in a \$45 million project. We've been listening to feedback from the community, we've continued to talk to the community. Our consent order deadline for completion of the construction is December 2022. Joe, thank you for your leadership there. (Applause)

And as the Commissioner likes to remind us, the water will come. We are focused on installing green infrastructure throughout the city and mitigating flooding that comes with extreme weather events, which are increasingly frequent. This is the new normal. You were all here this summer – we had two incredible storms, power outages, trees down on houses, flooding. This is the new normal. And all of us elected officials can't call this a crisis. I mean if it's a slow crisis, if we allow it to be a crisis, but if we plan for it, if we build in resiliency we will be doing for our residents and our taxpayers and for future generations what needs to be done. So we need to work together to ensure that we are planning for the new normal.

And we are still having fun. We had a lot going on in the city this summer. Our Department of Cultural Affairs, under the leadership of Alay Medina, has created events throughout the city and continued to see a lot of vibrancy around our Tulip Festival, our Alive at Five concerts, and we are going to continue to make a commitment to ensure that this is a place that has events for residents and reflects the diversity we have here in the City.

We've also made a commitment to public art. And in partnership with the Parking Authority and Albany Center Gallery and the Downtown Business Improvement District, we have done a number of public art initiatives throughout the city, including the Nipper dogs, which were hugely successful, that are all now in private homes. I have people stop me and thank me for the Park Albany app. They love this app. They love the ease with which they can park, the investment we are making and we're working on with the Albany Parking Authority under the leadership of Matt Peter. It's making a difference; we want people to come to the city and navigate the city. It's exciting to see that happen.

And *Amplify Albany* ... Check this out. This was one of the things that was funded through Amplify Albany. Since we introduced this program in 2016 we have given \$97 thousand in grants to 31 different projects throughout 9 neighborhoods. These projects have helped increase foot traffic to these commercial districts by more than 26,000 people. This is a resource for your neighborhood. Please, come to us with events you want to do in your neighborhoods. It's a great resource we created for neighborhoods.

The Albany Skyway. We're moving forward with that. I look forward to seeing this new park, this new resource, in our city that will provide an opportunity for public art, for diverse entertainment, and for opportunities whether they be flea

markets or farmers markets, whatever your imagination brings to this space. It's phenomenal.

We have development across the city. We've seen an increase in the number of apartments going up across the city and we need those feet on the street. People want vibrant commercial districts, but to have vibrant commercial districts, we need to have vibrant neighborhoods with people who are going to be supporting those great local businesses.

I am incredibly blessed to have an incredible team of people. Without the leadership of Chris Spencer and our Planning Department, this city would not be seeing the development it's been seeing, and was really created by the Rezone of our city. If we didn't have the leadership of Commissioner Jonathan Jones, the work we are doing to connect people to jobs, our dedication, our commitment, to making sure that we are connecting our residents wouldn't be happening. And then you think about some of the behind-the-scenes stuff. Let's give a shout-out to Mark Dorry in the IT Department. I have news for you. None of this happens without him. I could give a shout-out to Mike Wheeler – everybody loves to hate the budget guy. It takes that willingness to embrace a vision of equity, of why we do our jobs day after day. Whether it's happening in our Department of Administrative Services or its happening in our Tax Assessors Office or our Innovation Office, the work that our staff is doing – Steve Longo from the Albany Housing Authority – always there as a partner with us. So I hope you recognize, the time that they spend and the care that they give for what they do is all about ensuring each and every one in your wards is getting the best service that they can, that if they have a challenge or a problem we're there right alongside of them, and that we're making investments in a city of the future, in a place that will be a city of choice for people to stay, age in place, and raise their families.

When I spoke with you last year, I asked each of you to imagine what would profoundly change if our city was a place where every neighborhood works — where every neighborhood was a place, regardless of your income, where people would have access to quality housing, good jobs, and where your children had the opportunity to receive an outstanding education. And as I deliver this State of the City to you tonight, I highlight the work that we've done, the work that our employees do every day to provide that opportunity for all our residents in all of our neighborhoods. I hope that you recognize that this reminds you that this is truly a city of opportunity. When we are a city where every neighborhood works, we are

a city where there's opportunity for everyone who is here. And we're going to seize on that as we move into 2019 and I look forward to working with each one of you as partners to be part of that city of opportunity for all of our residents. Thank you.