



STATE OF THE CITY 2016
Investing in Human Capital: Everyone Counts
July 28, 2016; 12:00 p.m.

Good afternoon citizens of Paterson, members of the Clergy, Madame Clerk, Council President McKoy and distinguished members of the Paterson Municipal Council.

Esteemed Cabinet Directors, Division Heads, members of the press and invited guests, thank you for joining us.

Allow me to offer a heartfelt 'thank you,' to our invited clergy for your inspirational words. Thank you Monsignor Mark Giordano, Pastor Dr. Peter Ramos and Imam Mohammad Quatani.

When we think of Paterson we often remember its gilded, beautiful, prosperous past.

At its peak in the early 20th century, Paterson was the heart of economic prosperity, commerce and culture in northern New Jersey. Its Downtown built with some of the finest buildings of the times.

When we talk about Paterson we wax poetic on its brilliant future full of expectancy and positive outcomes. I want us to dream of Paterson and how it can be now.

A city that values its past glory, but most importantly a city, which values its most important asset... its people, and which invests in its Human Capital because: everyone counts.

A city that is moving towards equalizing the playing field by providing access to technology through our Library app, and our MOU with the BOE for the Extended Learning Opportunity School, which recruits students who dropped out of high school and encourages them to re-enroll in an online program to obtain their diploma.

A partnership that includes the purchase of the 75-81 Ellison St. studio, through the PRC, and where the Paterson Public Library will be connected through PALS plus to offer full access to online and digital resources through our "Digital Library."

A city that is moving forward, 'thinking outside the box' on economic development by creating a 'Food Incubator.' A city that is investing in our small business through a microloan program established in partnership with the Regional Business Assistance Corporation.

A city that still fights and continues to provide services for our neediest residents.

A couple of months ago I had the opportunity of speaking before the United Nations regarding immigration and refugees, titled *Immigrant Relations: Meeting the Critical Challenges of Migration, the Creation of Sustainable Communities*.

At this Conference I spoke about how Paterson has historically been a landing point for immigrant groups to the United States, and how our city, the third most important City in the state, has been a home for new immigrant communities, each bringing their own unique contributions of culture and flavor.

It is especially gratifying for me to see the happiness communities feel when I attend a flag raising ceremony and share with them, a glimpse, of the splendor and richness of their cultures and countries.

I can't help but marvel at the beauty of our city...A microcosm of the world and how within our borders thousands live, coexist in peace, and work towards a better future.

I share this information with you because our history has been one of Open Arms and Open Doors and which encouraged me to propose and establish a Municipal ID.

And I share this information with you because historically, industrial cities, such as ours, have seen a decline in population, but Paterson hasn't seen this decline as continued waves of new immigrant groups have maintained our population while previous generations have moved out.

These groups of new immigrants along, with our steady population of citizens are those who have stayed, who continue to work and live in Paterson and believe in our city.

These are the families and young men and women that buy homes, shop in our stores, open new businesses and pay taxes...and I want to take this opportunity to thank them for their faith in us and in Paterson!

My personal story is similar to that of many immigrants. For although, I am an American citizen, proudly born and raised in Paterson...I am also of Puerto Rican ancestry and understand the plight of many.

My father, Juan Torres, may he rest in peace, was a young migrant-worker who worked the fields throughout the United States. My father married Catalina Torres, my mother, and in 1949, worked in the farmlands of New Jersey arriving and settling in a town called Paterson, with 7 children. My sister Stella and I were born in Paterson, the youngest of this brood.

My father became very ill...and had numerous and serious operations and couldn't work. He had difficulty finding an apartment large enough to accommodate his family, all this compounded by the overt racism of the times, where proprietors would not rent an apartment to a 'Spic' as Puerto Ricans were called.

The social service agency, at the time, resolved in having my brothers and sisters separated in different foster homes. If not, for my father's courage and the kindness of a friend, who offered to give up his apartment for my family's use, we would have never been reunited.

So you see, I know first-hand what struggle means to many of us. I can identify with Patersonian's plight because I have also lived it.

I am a product of public housing....I understand need...and I understand the words of H. G. Wells when he stated that we are not separate members of humanity, because ultimately, "Our true nationality is Mankind."

I know there is still work to be done. But, if there is one lesson that I have learned in my life as a Mayor, it is that there is always something more that needs to be done.

Over the past year we have been tested, and as leader of this City I have had to make difficult decisions...I know the prize is high... But, I want you to know that I never give up, because for me standing by, doing nothing is not an option!

As a microcosm of urban America, where 52 different languages are spoken, I think that it is important to see how we are doing in some of the important areas of managing our city.

And I can confidently report we have accomplished much in several fronts:

- Crime is down
- Job opportunities are up
- Business investment is up
- Community relations with our Police Department has improved
- We have increased the number of our public safety responders (Police and Fire)
- We have increased the training opportunities for our public safety personnel
- We have added to the fleet of vehicles in the Police, Fire and Public Works departments that respond directly to the needs of our residents
- We have expanded the number of businesses in our city

I am happy to report that during the first year of the city's business curfew, the numbers of shootings and noise complaints decreased in the 15 areas designated as crime hotspots.

There was a 71 percent drop in non-fatal shootings in the hotspot zones, compared to a 43 percent drop citywide.

And as part of our Human Investment initiative and understanding that the City of Paterson cannot arrest its way out of the social problems that it deals with; our Police Department and Mayor's Office in partnership with John Jay University, brought together a working group of experts in social, health and human services, as well as community leaders to meet and speak with

the 1% in our population in need of these services. It was important to develop a plan to help and ensure these individuals are not ignored, incarcerated, or disregarded, but are instead identified and helped.

With funds, part of a labor agreement, with contractors working on our roads, we were able to create a six-month apprentice training program, that offers eligible Paterson residents the “Paterson on the Job Training” program.

The Mayor’s office has seen 93 weddings; the graduation of thousands of Paterson High School and Grammar school students; the graduation of 30 new firefighters; a back to school concert featuring hometown rapper Fetty Wapp; we ‘cut the ribbon’ on a new IHOP restaurant in downtown and a Walgreens in South Paterson among many other great happenings.

And, I am very proud to report that the city will soon launch its ‘Food Business Incubator” a 30,000 sq. feet commercial kitchen that will house four kitchens and jarring facility, in addition to 3,000 sq. feet of co-working space for entrepreneurs to have a professional office setting.

My Cabinet, city employees and all those who make up city government are dedicated public servants and I can report that we are making progress.

I’d like to take this opportunity to introduce you to my cabinet as I share with you a glimpse of their department’s accomplishments.

BUSINESS ADMINISTRATOR

Through the guidance of our capable Business Administrator Nellie Pou, the City is on the path to ensuring a stringent fiscal budget monitoring process, which included a significant reduction in Over-time.

At the close of this Fiscal year the City of Paterson has spent \$3.91 million in overtime in comparison to \$5.98 million during the 2015 fiscal year, which means more than a 30-percent cut in overtime spending... its lowest overtime total in more than five years.

As we look to positive financial changes in our future, we need to look back and remember how the past municipal tax levy was on a rise from 2010 through 2013.

In 2010, the municipal tax levy increased from \$104.1 million to \$139.9 million in 2013 - an increase of \$35.8 million.

During this period the average municipal tax levy increased 10.73%. The municipal tax levy increased \$4.7 million from 2014 to 2017 - an average of \$1.9 million per year, compared with \$11.4 million average increases over the previous four years.

This administration has significantly reduced costs and maintained the overall increase at 1.43%; which is below the 2% tax levy cap set by the statutes.

Our current budget is not only strapped with limitations from the past, but we will need to include the contract negotiations increases; the 27th pay; workers compensation and liability insurance increases; loss of special onetime revenue; and the increase in county, open space and school tax levy.

The administration is working on budgets cuts in order to incorporate these unavoidable increases to the municipal levy while keeping the tax levy as level as possible.

PUBLIC WORKS

The Department of Public Works is led by the very efficient and esteemed Manny Ojeda who has led the road Resurfacing project and many other projects that have helped improve the quality of life of most Patersonians.

I am happy to report that through our Road resurfacing project a total of 60 streets have been completed, or are in progress, and approximately 19 miles have been completed.

In addition to the citywide program more streets will be covered with aid from the NJ Department of Transportation and CDBG funds. The city of Paterson's road resurfacing project continues as scheduled and will continue until completion.

We finished the construction of the salt dome and have added seven new trucks to the DPW fleet, which will be assigned to each Ward, in order to better serve our residents.

HEALTH AND HUMAN SERVICES

Over the past year the Department of Health and Human Services under the capable leadership of Donna Nelson-Ivy continues to provide excellent health care services throughout the region.

Its Division of Senior Services Nutrition and Transportation provides excellent services from senior meals to benefit counseling for our seniors, disabled residents and veterans of Paterson.

And I am proud to report the Department was the lead in the passing of an Ordinance to raise the minimum age of the sale of tobacco and other smoking products from 19 to 21 years of age, the first city in Passaic County to do so.

And continuing with our objective of investing in our human capital its Office of Planning and Program Analysis has benefited 6,997 youth, 2,199 seniors and 2,106 women and families with after school programs, overnight and day summer camps, family strengthening and multi-services for seniors.

FIRE DEPARTMENT

Our Fire Department under the experienced leadership of Fire Chief Michael Postorino handled more than 43,000 emergency calls in 2015 involving fires, medical emergencies, hazardous material incidents and many more...having the busiest year on record.

As a result of securing a 7.5 Million dollar SAFER grant award, the Fire Department completed Firefighter and EMT training of 50 new recruits. And in an effort to maintain their fleet is in receipt of 5 new Pierce Fire Engines purchased through a Cooperative program, ensuring top quality equipment for the lowest economic impact on the budget.

Finally, the Fire Department has entered into a cooperative agreement with St. Joseph's Regional Medical Center for a training initiative involving 250 firefighter/EMTs in the administering of Narcan, thus possibly saving thousands of lives.

POLICE DEPARTMENT

The Paterson Police Department under the very capable direction of Chief William Fraher, received accreditation from the NJ State Association of Chiefs of Police Law Enforcement Accreditation Program. This prestigious honor recognizes that the rules and regulation, policies and procedures of the Paterson Police Department have met the highest levels of police standards.

I'd like to take this opportunity to recognize Chief Fraher and thank him for his years of invaluable, dedicated service.

Led by experienced Director Jerry Speziale the city of Paterson saw a 71% decline in shootings in the "Hot Spot" areas, supported the 'Eyes on Paterson Program' through public/private partnerships with the community and connected 500 cameras.

The Paterson PD has also expanded its Community Policing Unit to ensure a continuous and positive police community relationship.

I am very happy to report that in my Administration we have put police officers through two police academies and trained 23 Class I Special Police Officers to enhance the police presence and quality of life in our downtown area, parks and through walking patrol details.

COMMUNITY DEVELOPMENT

Under the expert management of Director Barbara McLennon Community Development has made significant quality of life investments by funding local agencies for public services that benefit low and moderate income persons.

In addition to many other projects it has funded the construction of our city recycling center, paid for the acquisition of our 'Food Incubator' building and continued funding the much needed renovations at the Boys & Girls Club of Paterson and Passaic.

Community Development also funded Park Improvement Projects at Buckley Park and Riverside Oval Park and through its Paterson Homeowner Rehabilitation Program anticipates helping 25 household with financial assistance in addressing mechanical and structural requirements for their homes.

ECONOMIC DEVELOPMENT

Under the leadership of Ruben Gomez the city continues to focus its efforts on helping small businesses grow, incentivize investment and strive to reduce barriers to growth.

The Department continues to create jobs and to provide an economic environment where long standing and upcoming companies look to relocate in Paterson because of its central location and ready workforce.

Its Community Improvement division, also charged with the objective of eliminating blight throughout the vacant and abandoned properties, in the past 12 months has issued thousands of building, fire, electrical and building permits.

Has issued 185 licenses, 591 certificates of occupancy and UCC violations and generated \$1,998,774.00 dollars in fines and fees. And Alteration costs were equal to \$72,000,000.00 in improvements.

The city's UEZ has been significantly successful this past year enrolling 71 new businesses, which accounted for 361 full time jobs and 114 part time jobs.

And its Division of Historic Preservation has contributed substantially to moving park improvement projects forward in the Great Falls Historic District as well as supporting plans for the renewal of the downtown redevelopment area being led by the Division of Planning and Zoning and Redevelopment.

We are very pleased with the City's Division of Multicultural and Community Affairs as its helped host nine city-wide events in conjunction with community and neighborhood groups and continues to serve as link between city government and the many communities that make up our city.

The issue of vacant and abandoned properties has been a major concern for Paterson. The economic difficulties of past decades and the changes in the housing market have left communities like ours with numerous vacant abandoned homes and many on the verge of demolition.

And, I'd like to take this opportunity to touch upon the complexity of rehabilitating existing buildings, constructing new structures or proposing new developments.

All of this work is done thru the Division of Planning and Zoning, which has undertaken the study of 7 redevelopment areas as well as the review over the past 2 years of 157 applications out of which 52% have been reviewed by the planning board.

The planning board has approved 80% of all applications as compared to only 54% for the board of adjustments. The total investment to the city has been \$294 million dollars, over 1,500 permanent jobs and 1,036 dwellings.

The administration has been able to evaluate a number of short-term and long-term policy approaches to deal with vacant and abandoned properties.

The recommendations range from small changes to the way we already handle problem properties, *to drastic change in* state-laws governing the ability of municipalities to acquire and dispose of land.

There is no one process or methodology that can address all of the challenges presented in addressing abandoned properties in a community. Rather, there need to be several tools in the toolbox to address the many unique situations that arise.

DEPARTMENT OF FINANCE

Our Finance Department, with Fabiana Mello at the helm continues its efforts of modernization and recently purchased the MCSJ Finance Super Suite software from Edmunds and Associates, which will fully integrate all our financial requirements and will allow the city to implement a system that accepts credit card payments.

For the upcoming Fiscal year Finance is working on implementing an online tax payment system, so taxpayers can view their accounts and be able to process payments from the convenience of their own homes.

DEPARTMENT OF LAW

Our Department of Law, with the expert management of Corporation Council Domenick Stampone has made notable achievements.

In Fiscal Year 2015-16, the Law department conducted New Jersey's first-in-the-state Special Tax Sale, requiring purchasers to submit approved rehabilitation plans, to address vacant and abandoned properties.

The city picked up almost \$1.2 million in extra revenue through this groundbreaking auction.

As well the department began court proceedings pursuant to the new ordinance resulting in the recent possession of an abandoned residential property located in the City's 2nd Ward.

The Department has also prosecuted an average of 350 driving while intoxicated, DWI cases and the helped reduce DWI backlog in the Municipal Court.

PARKING AUTHORITY

The Parking Authority, under the experienced leadership of Executive Director Tony Perez was instrumental in bringing our newly inaugurated IHOP to the city, thus creating 120 jobs for Paterson residents.

As well, the Parking Authority was instrumental in the designation of the Underground Railroad historic destination in the city, and of raising the flag honoring abolitionists Josiah Huntoon and William Van Rensalier.

PATERSON HOUSING AUTHORITY

The Housing Authority under the expert leadership of Executive Director Irma Gorham, completed Freedom Village (Apollo Dye I) in the summer of 2015.

In addition to the 70 units, the Housing Authority closed on an additional 63 affordable senior rental units, a key redevelopment in the 4th Ward.

As well, the Housing Authority recently launched an incubator space program (PHASINC) geared towards stimulating entrepreneurship through startups and existing small businesses.

LIBRARY

Our Library under the capable direction of Director Cindy Czesak has truly become a community partner.

As of July 15, 2016, the PALS Plus Library Consortium, of which the Paterson Public Library is a member, will begin to offer Hoopla free to cardholders; this service offers e-books, downloadable audio, downloadable music and movies, all of which can be downloaded directly to a phone or other device - and all for free!

MUSEUM

Jack DeStefano knowledgeable and proficient Director of the Paterson Museum has worked hard for Paterson's history to be recognized and memorialized.

The Museum saw a total of 26,761 visits to its site and working with the U.S. Citizenship & Immigration Services and the National Park, the museum hosted the first naturalization ceremony for 35 candidates.

CLOSING

Every opportunity I get I recognize how blessed I am to count with the Cabinet members and staff that serve our city. How blessed we are to have the employees that work day in and day out, with dedication for the betterment of Paterson.

Throughout my travels as Mayor I have had the opportunity to discuss entrepreneurship, innovation, community service, faith-based service and education with business groups.

We talked about how small businesses and private organizations can demonstrate how profitability and social responsibility go hand in hand.

And how we can contribute time and resources to numerous local organizations whose sole objectives are to better the lives of those in their communities.

In closing I'd just like to say, that I believe the city needs to hold a constructive dialogue with all the players in this story, where everyone's opinions are considered and matter.

I believe that when we all work together, when communities band together, we progress and everyone benefits. Because ultimately, our work, our efforts are for and about the people...the politics can be costly, but serving the people is bigger than all of us.

And with God's help...together, we can move this City to the splendorous future it deserves!

Thank you very much. God bless you all! God bless the great City of Paterson!!

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