



THE CITY OF SPRINGFIELD, MASSACHUSETTS

MAYOR DOMENIC J. SARNO

HOME OF THE BASKETBALL HALL OF FAME

STATE OF THE CITY ADDRESS

FEBRUARY 7, 2011

Good Morning!

As the 54th Mayor of the City of Springfield, it is my distinct honor and pleasure to report to you and all our citizens on the “State of the City”.

I am very pleased to report that the state of our beloved City of Springfield is strong and is steadily improving.

This is no small accomplishment. Just a few years ago, we lost our fiscal autonomy to the Commonwealth of Massachusetts. But, as a result of making tough choices and with persistent hard work, we have regained our financial independence. We have moved forward decisively and we have generated substantial momentum in every dimension of city government.

And, we did this in the face of the worst global economy since the great depression.

I want to thank the City Council, the School Committee, our legislative delegation, our department heads, our city employees, and our terrific citizens and business community for stepping up to the plate to sustain the City of Springfield in her hour of need.

Springfield's recovery from the brink is a tribute to all of you.

While there were some harrowing moments along the way, I am not surprised at the outcome. Our successful recovery is a reflection of the deep and abiding commitment and the "can do" spirit of our leadership team, as well as the understanding and the cooperation of our citizens and business community.

It is critically important that we continue to boldly move forward in this spirit.

There are many challenges ahead of us. We need to capitalize on our momentum and build on the progress already achieved. We need to leverage our resources to meet the expectations of our citizens. And, we need to be guided by the exciting vision of a fully revitalized City of Springfield as we continue the hard work of municipal stewardship.

Let me summarize our accomplishments and challenges in several key areas:

FINANCIAL MATTERS

The City of Springfield, like municipalities all across the country, has been dealing with steadily declining revenues. But, believe me, Springfield will continue to exercise strong fiscal discipline, and we will successfully weather any storm..... even an occasional snowstorm.

Over the years, we have relied on the Commonwealth of Massachusetts to provide roughly 60% of our revenue through state aid. The remaining 40% is comprised of property tax revenue, locally generated receipts and reserves. The City has worked hard to maximize our local revenues through aggressive tax collection and a detailed review of all departmental revenue on a regular basis.

I have recently written to the state legislature and Governor, asking that the current state aid distribution formula be reviewed to ensure that Springfield gets its fair share of state resources. We cannot continue to place an unequal share of the burden on the hard working taxpayers of our City. I look forward to working hard and in collaboration with our legislative delegation in Boston, on your behalf, to achieve the fiscal equity that we deserve.

In the meantime, the City has adopted a series of relief measures offered by the state through its municipal partnership legislation. This includes joining the Group

Insurance Commission (GIC) for health insurance, adopting the local-option meals tax, extending the pension schedule, consolidating city and school finance directors, and enhancing procurement rules. We have also been exploring other options, including the expansion of our payment in lieu of tax agreements with local tax-exempt entities and our aggressive collection of outstanding excise taxes.

On the spending side, Springfield has been aggressive in gaining efficiencies and concentrating on priority programs. Strong management is really the only practical way to meet the spending requirements of our essential services. The hard fact is that the cost of these services is increasing at a rate that outpaces our revenue growth.

At this point, the services that we provide are limited primarily to those related to education, public works, and public health and safety. Our General Fund budget totals \$533.4 million for Fiscal Year 2011. Only about \$125 million or roughly 25% is considered “discretionary”.

As we are all well aware, Springfield has had a tumultuous history in managing its finances. Since gaining back local control a year and a half ago, we have worked hard to maintain consistent fiscal discipline. Our new Chief Administrative and Financial Officer, Lee Erdman, along with our talented finance team, has provided an experienced and steady voice that has been of great assistance.

And, all our efforts have paid off. I am proud to say that we have earned two consecutive upgrades in our bond rating to “A” status, a certification of positive free cash, and we are projecting a healthy reserve balance at the end of this year.

During these difficult financial times, one of my primary goals is to provide responsible property tax relief to homeowners and businesses, and to spur confidence and economic development.

As a result of the City’s effective fiscal management policies, I am pleased that we were able to adopt a property tax rate for Fiscal Year 2011 that is fair to residents and businesses, and that is pro-homeowner and pro-jobs.

In fact, Fiscal Year 2011 marked the first time since 1983 that there was a lower total tax levy than in the previous year, a reduction of \$4.3 million.

Another key element in securing Springfield's financial turn-around was the repayment of the \$52 million no-interest loan from the state. I am pleased to report that the City has met this loan obligation in full, and that no additional money is owed to the state.

In preparing our plans for the Fiscal Year 2012 budget, we have already identified a significant financing gap, based on our assumptions of spending and revenue.

We will continue to prudently allocate the resources available to us, in order to maintain essential services. We will also cautiously utilize our reserves during this "rainy" time to help offset some otherwise devastating cuts.

PUBLIC SAFETY AND QUALITY OF LIFE

Public safety and quality of life issues continue to be among my Administration's top priorities. As I have said many times, we can speak about many grandiose development ideas for the City of Springfield. But, if our residents do not feel safe in their community, we will not be able to capitalize on our tremendous development potential.

I am pleased to report that since 2008, my Administration has moved to add 74 police officers to our streets to enhance public safety.

This includes 11 existing Police Department positions that were "civilianized", 5 officers who were reinstated after earlier layoffs in 2003, a police academy class of 27 officers that graduated in Fall, 2009, and another 31 recruits that started their training this past December and that will hit the streets this Spring.

Under the leadership of Police Commissioner William Fitchet, we have initiated a "Quality of Life Ordinance Flex Squad" and reorganized the "Street Crime Task Force". My Administration has also appointed Springfield's very first citywide anti-youth violence coordinator, as well as a point person for dealing with day-to-day quality of life issues.

But, the bottom line is always the numbers. In 2010, as compared with the average of the previous four years, larcenies were down 18%, stolen cars were down 23%, and robberies were down 6%. We are currently targeting breaking and entering as

a high priority. And while even one murder is too many, our solve rate for murder is nearly 80%.

While we have seen some improvements, the City can and must do more. The acts of violence and murders that are affecting so many of our City's youth has got to stop. The gang against gang and drug related killings are senseless and we must continue to strive to eliminate this violence.

This situation continues to put us on the defensive in moving our City forward.

Once again, I ask all of our citizens to be vigilant at all times and to report crimes and suspicious activity to the Police Department. We need everybody to be a watchdog. Crime fighting is a shared responsibility. Together, we will change the overall outlook of our City to a MORE POSITIVE one.

We have just concluded a very busy year at the Springfield Fire Department. Under the leadership of Fire Commissioner Gary Cassanelli, the Department responded to over 15,000 emergency calls, including over 1,300 fire incidents and 7,400 medical incidents. This number of calls represents a 25% increase over the past 5 years, a truly remarkable expansion in public services.

A few weeks ago, we announced the largest recruiting class of firefighters to be hired since 2002. We were successful in securing state stimulus funds that permitted an additional 8 recruits to be added to a scheduled class of 15, bringing the total complement of new firefighters to 23.

The Department was also able to purchase 82 digital, portable, interoperable and water resistant radios for frontline firefighters through a Federal Assistance to Firefighters Grant.

This past October, we opened a new state-of-the-art fire station on White Street. And, we witnessed the end of an era with the closing of the antiquated Oakland Street station.

Let me assure you, my Administration remains committed to providing our public safety officials and our first responders with all the tools they need to keep all of our residents safe.

I will continue to be relentless on issues of crime and public safety so that all our residents feel safe in this community.

EDUCATION

We all know that, when it comes to educating our children, nothing is more important than the dynamic relationship between the teacher and the student in the classroom. Building open, honest, and trusting relationships to support this proven correlation is critical to academic success.

Under Superintendent Alan Ingram's leadership, the Springfield Public Schools are moving forward on a number of initiatives in this vein.

The School Department recently announced an expanded home-visit program. This project builds on the great work undertaken over the last several years by our schools in partnership with the Pioneer Valley Project.

This is but one component of the Springfield Collaboration for Change, a five-year initiative spearheaded by the Springfield Public Schools, the Springfield Education Association and community leaders. This partnership was launched last year when Springfield was awarded a \$1.25 million grant from the NEA Foundation.

While we recognize that there remains much room for improvement in our schools, we are pleased that the performance of our students on the Massachusetts Comprehensive Assessment System, or "MCAS", has improved for every segment of the student population.

Since 2008, gains were made in all student sub-groups including special education; limited English proficiency; low income; and in all racial categories.

As a whole, student performance increased nearly three points on the English Language Arts test, slightly more than two points in math, and nearly four points in science and technology.

In addition, the number of students reaching proficiency in English increased three percentage points, and two percentage points in science and technology. However, there is still room for improvement. Our graduation rate is too low... Our drop-out rate is too high...

Though we have achieved incremental improvements, it is essential that we continue to focus on raising academic achievement, making schools safer, building a strong coalition of community support, and creating a culture of high expectations.

ECONOMIC DEVELOPMENT

After public safety and education, my Administration's top priority is job creation. Our unemployment rate of over 13% is just plain unacceptable.

Now that the recession is abating to a degree, we must redouble our efforts to create new and good paying jobs for Springfield residents. That's right, it's all about jobs, jobs, and more jobs.....

In the economic development arena, our Development Services Department is delivering projects that improve our quality of life and increase our economic vitality. Springfield's entrepreneurial approach and strong working relationship with multiple partners, has given us access to resources that yield substantial tangible results.

Our economic development program is focused on nurturing three strategic assets:

- First, our job base. Springfield's thriving business community is home to Mass Mutual Financial Group which employs thousands of people worldwide. Baystate Medical Center is the City's largest employer. Big Y Foods, Smith & Wesson, Merriam-Webster, Performance Food Group and Peter Pan Bus Lines all call Springfield home. And last, but certainly not least, we are the headquarters of hundreds of small businesses.
- Second, our neighborhoods. Springfield's 17 vibrant and diverse neighborhoods are the very heart and soul of our community. Our Victorian mansions, impressive architecture, and affordable neighborhoods have earned Springfield the title "City of Homes." We need to live up to this name.
- Third, our downtown. Springfield's central business district is the home of hundreds of business and thousands of jobs. It is the heart of civic life with

restaurants, cultural institutions, places of entertainment, and the seat of government.

The City has celebrated a number of significant economic development accomplishments under my Administration:

- We saved 103 good paying jobs at Titeflex under an innovative property tax agreement.
- We reached agreements that will add 225 new manufacturing jobs at Smith & Wesson. The company also plans to make a \$63 million investment in the expansion of its plant and equipment.
- We celebrated as the State Street Corridor came to fruition with the dedication of \$17 million in public improvements and a groundbreaking for the \$110 million back-up state data center at the former Technical High School. DevelopSpringfield has been advancing several redevelopment initiatives in the Corridor and has launched a new \$1 million State and Main Street small business renovation program. Special thanks to Congressman Neal for his visionary leadership in the comprehensive State Street initiative. He continues to be our most valuable partner and supporter.
- We oversaw \$425 million plus in planning, design, and construction projects including Baystate Medical Center's "hospital of the future"; two new medical buildings on Wason Avenue; the new Pharmacy School at Western New England College, and the new Richard B. Flynn Campus Union at Springfield College.
- We completed the \$11 million redevelopment of the former Federal Building at 1550 Main Street for School Department offices and Baystate Medical Center.
- We created our own economic development catalyst called "Develop Springfield", chaired by MassMutual's Nick Fyntrilakis, to develop strategic sites and small businesses.

- We assigned responsibility for the redevelopment of the long vacant Union Station to the Springfield Redevelopment Authority in an effort to jump-start this important regional transportation project.
- We created a Business Development and Retention position to enhance our business recruitment and stabilization efforts.
- We conducted developer selection for the former Zanetti School, the former School Department Headquarters building, and a 6.6 acre industrial site located on Bay and Tapley Streets.
- We designated American International College as the preferred developer of the former Mason Square Fire Station and one of the Indian Motorcycle buildings.
- We collaborated with Western Massachusetts Electric Company to advance the development two “solar energy fields”, the first to be located at the former Cottage Street landfill.
- We continue with the \$5.5 million redevelopment and beautification of south Main Street.
- We are preparing to undertake a \$3.6 million renovation redevelopment and beautification of Main Street in the North End.
- We were awarded \$1.2 million in Neighborhood Stabilization Program funding for reinvestment in housing in selected neighborhoods.
- We completed the renovation of the new UMass Design Center in Court Square and conducted eight neighborhood-based design exercises engaging more than 600 citizens in the discussion.
- We demolished several key blighted properties, including the former Central Street area nursing home.
- We are in the midst of launching the City’s first branding campaign with over \$200,000 in city and private funding.

- And finally, in the very near future we will be announcing a permitting system that will help reorganize our inspectional services functions to deliver streamlined permitting and inspection services.

In the coming year, my Administration looks forward to working with our economic development partners to build on our progress as the national and local economy emerges from the recession.

I believe that we are poised for a period of sustained growth that will ultimately transform our City, create jobs, revitalize our neighborhoods, and expand our tax base.

PARKS AND FACILITIES

Springfield continues to have some of the finest and best maintained parks and public facilities in the country.

Under the leadership of Patrick Sullivan, our Department of Parks, Buildings and Recreation Management is committed to maintaining our public facilities in a manner that will sustain a safe, healthy and productive learning, working, and recreation environment.

Substantial progress was accomplished in 2010:

- We broke ground for new \$114 million Putnam Vocational/Technical High School.
- We began design and site assembly for the \$32 million renovation and expansion of Forest Park Middle School.
- We submitted requests to the Massachusetts School Building Authority for funding for school repairs so that our teachers can teach and our students can learn in the best facilities possible.
- We completed over \$5 million in repairs and renovations to schools, libraries, fire stations, the police headquarters and municipal buildings throughout the City.
- We set in motion a process for relocating the Mason Square Library to its

former location in the heart of this community.

- And finally Pynchon Park, a unique vertical park located between Chestnut and Dwight Streets near the Quadrangle, was renovated and re-opened after having been closed for thirty-five years.

In 2011, we need to continue these efforts to keep our physical facilities in top condition for now and in the future.

HEALTH AND HUMAN SERVICES

Our Department of Health and Human Services has a long history of helping residents in need. Under the leadership of its director, Helen Caulton-Harris, we continued to deliver on that promise in 2010:

- Two public health action groups were convened to work on food and nutrition strategies for our residents. Both groups include leadership from community based organizations, our hospitals, department heads and members of the community-at-large.
- Health Care for the Homeless, in collaboration with Mercy Medical Center, opened a new five suite medical facility. This facility will have a significant impact on the quality of healthcare for our homeless population and decrease visits to emergency rooms and urgent care facilities. In addition, it will provide support services that will allow these individuals to break the cycle of homelessness.
- Finally, we created a teen pregnancy initiative which is a broad based coalition of medical, educational and community groups and youth to realistically address this critically important issue.

CULTURE, THE ARTS AND COMMUNITY PRIDE

We are all grateful that Springfield continues to thrive as the cultural center of Western Massachusetts. Our world-class museums, the Springfield Symphony, City Stage, and our historic Springfield Armory rival attractions in cities twice our size.

Our Basketball Hall of Fame is a one-of-a-kind interactive museum that features legends of the game's past, present and future. The spectacular Dr. Seuss National Memorial Sculpture Garden is a magical place that brings out the inner child in all who visit. And, we cannot forget our beloved Springfield Falcons and Springfield Armor too.

The brand new Lyman & Merrie Wood Museum of Springfield History has opened to widespread acclaim. I encourage all our citizens to visit this impressive facility as a way of gaining a full appreciation of our City's magnificent history.

Even at the neighborhood level, we have arts resources of every imaginable description, including ethnic music and dance, theater, and visual arts. In downtown, we all enjoyed the highly successful "Cityblock Concert Series" at Stearns Square and the "Hoop City Jazz Festival" in Court Square that attracted thousands of people. And of course, the many award winning Spirit of Springfield events from Bright Nights to the Forth of July Fireworks too.

I hope that in 2011 and beyond, we will achieve greater involvement by our citizens in the whole range cultural, arts, and entertainment opportunities we offer. We have spectacular resources. Let's take advantage of them to be uplifted, enlightened, and inspired.

CONCLUSION

Ladies and gentlemen..... In his recent "State of the Union" address, President Barack Obama spoke passionately of "winning the future" of the United States.

Today, I challenge all of us to rally together to win Springfield's future.

I am proud of all that we have accomplished together. And, I hope you are too.

But, my Administration will not rest on its laurels. There is more work to be done.

So, I ask all of you to continue to be steadfast in your commitment to this great City; enthusiastic in your efforts to secure her future; and resolute in overcoming the challenges that we will encounter on our journey together.

To the residents of Springfield, I thank you for the opportunity to serve as your Mayor. I look forward to helping this City accomplish great things now and in the future.

Together, we are going to *Make it Happen!* Happy 375th Birthday Springfield.

And always remember and never forget... We are one, we are strong, and we are Springfield.

May God bless you.... And, may God bless the City of Springfield!

Thank you very much!