



**“City at a Crossroads”**

**Mayor Jon Mitchell**

**State of the City Address**

**[remarks as prepared]**

**Thursday, March 21, 2013**

Thanks to Roy Nascimento, and the Chamber of Commerce for this year’s State of the City event. This has become an important civic tradition for New Bedford. Roy, thank you for your leadership, now and throughout the year.

Thank you also to Bob Twomey from Webster Bank for its sponsorship of the event. Webster is a reliable corporate citizen in our City.

And thank you to my friend Linda Enos and New Bedford Voke for the terrific service and hospitality.

Today, thanks to the hard work of the residents, employees and supporters of our great City, there is much progress to report. This past year we received the green light for the construction of the nation’s first specialized marine terminal for offshore wind energy, positioning us to become the birthplace of a new industry.

We have halted a troubling decline in our public schools. Business is picking up; the downtown is more vibrant; new public improvement projects are coming on line; and crime is down. A top crop of new managerial talent has been installed to lead City departments that are delivering more efficient and effective services. And we successfully weathered a hurricane and a blizzard, to boot. By any measure, we are a City firing on all cylinders.

But we gather here today knowing that challenges are everywhere and daunting. Many of our residents who have looked in vain for work remain unrewarded. Some neighborhoods continue to deteriorate as a result of foreclosures, declining housing values, and unscrupulous landlords. City finances are as tight as ever, while we face looming liabilities that will stretch our ability to fund basic services. Many of our residents are living from paycheck to paycheck.

Cities across America face these same challenges. Here in New Bedford and elsewhere, they have become more acute and intractable since the financial meltdown in 2008. Many cities are resorting to desperate measures like demolishing entire neighborhoods, selling off assets and cutting off basic services, and even then, they can't pay the bills.

I have said it before: New Bedford is different. We have valuable assets to build upon that other cities lack: a deepwater port, a rich history, major cultural institutions, pleasant neighborhoods, a beautiful downtown, and a relatively low cost of living, and reliable city services. Every one of us has heard others say that New Bedford has "great potential." And they're right.

The fundamental question before us is: are we going to make the most of our potential?

We are at a crossroads as a community.

We could choose the road some cities have taken; the one where community leaders offer a narrow vision for the future, ignore or even mask the tough problems at hand, ask nothing of citizens, and instead seek short-term political wins. This approach is alluring, because it is easier. Problems often can be kicked down the road, usually long enough for the next person, or generation, to deal with them. But the benefits of this approach are illusory. Places that choose this path will find it a dead end.

Our City can, and must, choose the other, harder road, the one that requires a longer view of the future. We need to look down this road, fixing our gaze on an image of what our City should look like a generation from now. It is a city built on our strengths today.

Here is the city I see: it is the commercial and cultural hub of Southeastern Massachusetts; a city that is taken seriously beyond the region; a city where new marine based industries create high-paying jobs that enable citizens to buy homes and send their kids to college; a city whose schools are a reason why families move *into* town; a city with a harbor that is a recreational asset not an environmental liability; a city with a highly professional, caring, and efficient city government that commands the

confidence of taxpayers; and a city in which personal safety is not a concern, and where all residents take responsibility for their neighborhoods and their neighbors.

Arriving at that place means traveling down a harder road. It will demand more of us. The payoff will take time. It will demand more patience, as the reward for our efforts will not be immediate. Just as important, it requires unity, and a recognition that bickering over shortsighted concerns serves no purpose but to distract our focus from what really matters. And it calls upon everyone who loves New Bedford to take action in their own way to move us along.

My firm belief is that of the two roads before us, the only real choice for New Bedford is the longer, harder road.

That is the road to which I am committed.

Let me be clear: my administration is about helping our community channel its energy and resources toward lasting achievements for our City. I absolutely love my job, and will work tirelessly for as long as I am asked, but I don't care who is in office when we realize our potential and arrive at our destination. Because it's my job to help keep us moving, I am pleased to now report the steps we've taken this year, and the steps ahead.

## **Economic Development**

My administration has focused on creating the conditions for jobs to grow in the city. More good jobs mean more residents purchasing homes, more New Bedford kids going to college, more money spent in local businesses and on local charities, and a more confident, vibrant community. In general, government is not equipped to make the economy grow on its own accord, and local government in particular has little control over the global forces that inform most business decisions.

The mayor of a mid-size American city wields little influence over, for instance, international financial markets, federal tax policy, or even local labor costs. But businesses looking to relocate or expand have to do it *somewhere*, and how well local government interacts with the business community, and how well it builds on the assets the community has to offer, does matter to business.

My approach to creating fertile business conditions is about being a reliable partner. That's not, of course, to say that a mayor should do whatever businesses want, as my job is to advance the interests of the citizens of this City. But what we have tried to do is to convey to the business community that decisions ranging from permitting to tax breaks to advocacy on behalf of business at higher levels of

government, will be made transparently and on the merits, not on narrow parochial interests.

We also continue to reign in the cost of doing business where we can. Again, a city doesn't have a say over many inputs, like the cost of utilities or workers comp insurance. But it can try to maintain competitive tax rates, and with the City Council's support, we were able to hold the line on taxes, and we will continue to make that effort.

I also consider myself a cheerleader-in-chief for all things New Bedford, and that includes the business community. Promoting our city and its businesses is vital to attracting investment.

What makes it easy for me, is that there is a lot to crow about. Several new businesses were launched last year in our growing downtown. Most of our manufacturers have been hiring. Attendance at our signature tourist attraction, the Whaling Museum, was up eight percent last year. And important public construction projects are about to wrap up, most notably Route 18 and Phase I of Acushnet Avenue, while others will get underway this year, including the new Custom House Square Park and the Hurricane Barrier walk.

In general, the feedback from businesses large and small is very positive. The vast majority report that they are growing. Local banks, including our sponsor Webster Bank, are lending more. Things are moving, and the word is getting out that New Bedford is an up and coming city.

But as much as we welcome this good news in the near term, our efforts to grow jobs are focused on the long-term. The core tenet of our approach from the start was to focus on New Bedford's inherent competitive advantages. It is a strategy based on the question, "Why would a business invest here?"

The most prominent of our advantages lay in our downtown historic district and our waterfront. Consider what we have: we are the home of the preeminent fishing port in America as well as one of the nation's best recreational boating destinations, according to Yachting Magazine, and we are well positioned to become a leading center for offshore wind development. On the shore side, we have right nearby a National Park that preserves the history of our whaling heritage, anchored by America's most prominent whaling museum. In its midst, we have unique shops and terrific restaurants, a major performing arts center, and an arts district.

So my administration has focused on capitalizing on these strengths. I have fought for our fishing industry at every turn – in the halls of Congress, before fisheries management committees, and in federal court. While we didn't win every battle, I will continue to advocate for an industry that is both a pillar of our local economy and central to our very identity.

We will continue to promote our waterfront and its linkages to our downtown cultural district. In the coming year, as the Route 18 project winds down, we will begin

to sponsor more activities and events along the water so that for the first time in generations, city life will be connected to our waterfront.

In the downtown itself, next month we will break ground on the new Custom House Square Park, which will give the downtown neighborhood the green space it has lacked for so long. We are also taking the steps necessary to create a downtown cultural district that will enable us to highlight our arts community and to attract dollars to support it.

But our biggest opportunities lie in offshore wind development. New Bedford's advantages, ranging from its industrial port to its proximity to ocean wind areas, offered the potential for an entirely new industry to take root and flourish here.

But for a time, it appeared that the New Bedford Marine Terminal project might not be moving forward, and that its future was uncertain. Action needed to be taken fast, and in the past year, we have taken the bull by the horns. We have worked hand-in-glove with the Patrick administration to move the project along, especially in the areas of land assembly, permitting, and advocacy with federal officials. It is an enormously complicated project with multiple layers of review and many issues for the City to negotiate and resolve. Governor Patrick and Lt. Governor Murray, and their team, especially Energy and Environment Secretary Rick Sullivan, Clean Energy Center CEO Alicia Barton and Wind Energy Director Bill White, deserve tremendous credit for their leadership and support along the way.

With the EPA's go-ahead a few months ago and a ground breaking coming soon, we are in the ball game now. As mayor, I pledge to you that we will not sit back and passively hope for opportunities come to us.

The goal is nothing if not ambitious, and nothing is guaranteed, but it is worthy of every ounce of our energy. And we have rolled up our sleeves and have gotten down to the work of building this new industry here.

With the support of the Economic Development Council, in just the last few months:

- We formed an advisory committee comprised of industry leaders, including Cape Wind's CEO Jim Gordon, to guide the city's strategy;
- We co-hosted a summit with Congressman Keating that brought together more than a dozen the regional federal agency heads to identify ways in which the federal government could support our efforts;
- We signed an agreement to lease land to the state at the Terminal site on terms very favorable to the city;
- We signed a cooperation agreement with the state that sets forth our broader understanding of the state's and city's respective roles;

- We hired a leading consulting firm to assess opportunities in the wind energy supply chain so that we can assess which parts manufacturers might be interested in setting up in New Bedford;
- We worked with Transportation Secretary Rich Davey to secure funds to extend freight rail down to the NStar property and to design the line from there down to the Terminal site;
- We are re-activating the New Bedford Redevelopment Authority to assist in the redevelopment of industrial land along the waterfront to support the industry;
- We began to plan for our workforce development programs with the Massachusetts Department of Labor, BCC and the Workforce Investment Board so that we have workers prepared for the jobs that could come;
- With the City's Council's support, we drafted a sister city agreement with the wind energy port of Cuxhaven, Germany, so that we can benefit from that city's knowledge in offshore wind development;
- And the list goes on.

I offer you this long litany of initiatives not to beat our drum but simply to illustrate our proactive approach.

My point is this: as much as we need and appreciate state and federal assistance, no one else will do these things for us.

A unified effort.

A focus on the long-term.

A willingness to act.

That is what will make the difference for us.

And that is why, in the area of offshore wind we need a central mechanism that all stakeholders can get behind, with the single long-term goal of putting New Bedford on the map in this new industry. So I am proposing today to establish the New Bedford Wind Energy Center that would continue and deepen the great work of Matt Morrissey and his team at the EDC in to coordinate the City's multi-faceted development efforts around the offshore wind industry. The Wind Energy Center would quarterback these efforts and its establishment would give the industry yet another reason to see New Bedford as an industry hub.

Establishing the Wind Energy Center will unite the private sector, the City and the non-profit sector in partnership. Local businesses stand to gain new customers if our efforts succeed, and with our financial constraints, the City cannot go it alone. The City

certainly should do its part in helping to seed the center, and I am filing a measure with the council to do just that. But we also need the help of businesses and private foundations. And so I applaud the efforts already underway by key business leaders to step forward, and I ask the non-profit community both near and far to join in.

This partnership to promote offshore wind development ought to be in the same unified spirit as the recent collaborative effort to support the Zeiterion Theater. In that case, leaders of two of regional banks, Nick Christ of BayCoast Bank and Pat Murray of Bristol County Savings Bank stepped up with commitments to supplement the City's efforts to put the Zeiterion on a more solid path. We are grateful for their leadership, and for their recognition that on the big challenges and opportunities before us, like those in the area of offshore wind, we need to pull together.

## **Public Safety**

Creating the conditions for economic growth starts with public safety. Businesses will shy away from places that they perceive as being unsafe for their employees or where their property might be damaged. More fundamentally, though, residents should be able to walk their dogs and enjoy our parks and dine in our restaurants, without having to worry about who might be lurking around the corner. Parents in every neighborhood should be able to let their kids play outside without thinking twice about it.

In the past year we have made real progress in our fight against illegal drugs and gun violence. Crime overall in the City last year was down four percent, and violent crime fell a full eight percent. This is attributable to our efforts on multiple fronts. Under the leadership of David Provencher, the police department has gained the upper hand on neighborhood violence by being more nimble and unrelenting in responding to street violence, and by having unwavering support from District Attorney Sam Sutter's office. Through cooperative efforts with my former colleagues in federal law enforcement, we also have dealt a serious blow to national street gangs trying to infiltrate our City.

Meanwhile, the Neighborhood Improvement Task Force has been pulling out the roots of crime: garbage, graffiti and run-down properties, across the City. Before I took office, neighborhood decay had accelerated in part because certain large absentee landlords had purchased tenements out of foreclosure, disregarded housing codes and allowed the properties to become rundown. They had turned a deaf ear to law abiding neighbors who had complained again and again. The task force has made them sit up straight up. Nearly two hundred run-down properties have been cited for corrective actions. The results are visible. Many neglectful landlords are now fixing up their properties – not nearly enough yet, but many. By all accounts, there is less trash on the

streets. Again, our streets are not nearly clean enough, but we've put a noticeable dent in the problem in a short time.

Despite these successes, we will not rest on our laurels. Last month, we brought on nineteen new police officers so that we can keep the lid down on crime. Police officers must also be equipped with the tools they need to do their jobs effectively, so I am pleased to report that I am filing a funding measure today with the City Council to replace more than half of the City's aging fleet of police cruisers with new vehicles. This step will greatly improve the department's ability to respond when needed.

The Task Force also needs more support. Despite the task force's successes, the problems caused by a handful of large absentee landlords continue to plague some of our neighborhoods. We hear it all too often; long time residents, typically senior citizens who take loving care of their properties, have complained about these landlords and their tenants, and the damage they are inflicting on certain neighborhoods. Every one of us in public office has heard these complaints: of trash strewn across streets, of noise at all hours of the night, of menacing dogs off leashes, and more menacing tenants who couldn't care less about the neighborhood, and landlords who are willfully blind to it all.

We have got to do more for the residents who play by the rules and have stuck with their neighborhoods. I don't want to leave any neighborhood behind to become fertile ground for criminal activity. And I know the City Council feels the same way. For starters, we are going to hire more inspectors, because we are not now getting to all the properties owned by neglectful landlords. The Council and I also still have work to do in refining a problem property ordinance that would shift the cost of police response to landlords of properties where police are called incessantly.

I proposed the ordinance at a press conference in front of a property on Ashley Street where, during a recent three year period, the police had been called over two hundred times. I don't think it is too much to ask that at a certain point, taxpayers and neighbors should stop picking up the police tab for other property owners with a long history of willful neglect.

## **Education**

Our efforts to make New Bedford more competitive economically, and to make neighborhoods more secure, will enable businesses, both large and small, to create jobs. But our work in these areas will not be enough to achieve our aspirations for our City without re-establishing public confidence in our school system.

Our City's economic competitiveness, and indeed its quality of life, cannot be separated from the quality of the education our schools offer. Public schools are the

gateway to the American Dream. Parents want the very best for their kids, and if a community's schools cannot deliver for them, parents will vote with their feet. And for too long, many New Bedford parents, despite their love of this City, have done just that.

More than at any time in our City's history, however, this past year was a pivot point for our schools. I began my term last year on the receiving end of a threat from the state that unless our schools changed dramatically, the state would take over the school system. A state takeover would have been a huge black eye for our City. It would make it far more difficult for my Administration to attract businesses here, and would have given credence to those who believe that New Bedford is not a desirable place to live.

Since then, we have charted a dramatically different course. Change had to begin at the top, and I thank my colleagues on the School Committee for the dramatic steps we took. The installment of Mike Shea as Superintendent has stabilized the district in ways that we could only have hoped for.

Mike has restored confidence in administrators, teachers, and parents most of all by demonstrating to them that the central office, long insulated from the rest of district, is open to their input. He has provided clear direction to principals, worked constructively with the teachers union, and moved initiatives forward that had long languished.

Perhaps most importantly, Mike has established a culture of accountability throughout the system. For the first time in years, the job performance of principals is being evaluated in a systematic way. Recognizing that student achievement rests on quality classroom instruction, we also have overhauled the teacher evaluation process. Principals are now expected to provide clear guidance to teachers, and teachers will now know what is expected of them in the classroom.

Together, these measures are designed to ensure that what is directed from the front office is actually being taught in the classroom. Backstopping these evaluations is a new teacher transfer policy, that will reduce the role of seniority in transfer decisions, which in years past was used as escape hatch for certain teachers to avoid the consequences of poor performance evaluations by demanding transfers to another school. Those days are over.

Mike's insistence on accountability has extended to the operation of the central office. When the last school administration mistakenly undercounted the number of low income students, Mike got to the bottom of it, and the local legislative delegation jumped in to restore the funding we deserved.

And when the last school administration's business manager could not answer his questions about how and where money was being spent, he wasted no time in probing further. And when under mounting pressure she left the district with a cloud hovering over the budget, he promptly brought in two top-notch school budget professionals, Barry Haskell and Bob Gurek, and directed them to get to the bottom of it.

In short order, together they undertook the equivalent of a forensic audit that laid bare a gaping budget gap, which was as much the product of the long-ignored vulnerabilities in the department's financial controls as it was the errors of the former business manager.

Today I am filing a preliminary funding measure with the City Council to help close the budget gap they uncovered even as work continues to reduce school spending.

As unpleasant as it will be to fill that large budget hole, Mike's efforts to ferret out the problem in the school department's finances was a necessary starting point for reform. For far too long, the department's budget procedures have been as clear as mud to the School Committee, the City Council, and the public alike.

We cannot expect the public to have confidence in the school system if it lacks transparency. So we are now implementing new long-overdue accounting systems that will enable the department to track where every dollar is being spent. We have raised the salary of the business manager position to attract top candidates, and we will not settle for anything less than a first rate professional.

And for the first time ever, School Department budgeting is now starting where it should: at each school. Those who best know what schools need, namely teachers and principals, will be able to shape the district's budget from the start.

In the coming months, we will continue to lay the groundwork to expand the Advanced Placement course offering at the high school. Despite the challenges in the District in recent years, New Bedford High School remains the region's most competitive high school in admissions to top colleges, and with this new AP initiative it will become stronger still.

And, as promised, we have expanded the teacher home visit program to get parents and teachers on the same page about what one should expect from the other. Finally, with the City Council's support we are getting a school construction plan off the ground that will launch two new elementary schools in the South End and retrofit the high school with broadband upgrades so that our students may experience all the benefits of a 21<sup>st</sup> Century learning environment that other school systems enjoy.

It will take some time for our school system to become everything we hope it will be, and believe it can be.

Our school system did not develop its problems overnight. Under Mike's leadership, it has turned the corner. But change must continue.

With the help of Dr. Dana Mohler-Faria and our superintendent search committee, we have hired a superintendent, Dr. Pia Durkin, who is widely considered to be one of the best in Massachusetts. After seven years in the City of Attleboro, her leadership transformed the school district from a community liability to a source of civic pride.

Mike Shea has started changing the system, and now Dr. Durkin will need to accelerate those changes. Not all the changes will be easy. Old ways of doing business will be cast off, just as they have in the last year. Many changes will be designed to improve classroom instruction. Others will be about stricter accountability from top to bottom. Still others will be meant simply to save money, as our district struggles to fund all of its needs. Whatever the changes look like, they will be made with one goal in mind: to serve the needs of children.

It will take more than one person to move to the district to the next level. We shouldn't plan for the arrival of a new superintendent like we are waiting for Superman (or Superwoman). Everyone will need to step up. The School Committee and City Council will need to give Dr. Durkin the tools she needs to do her job. Teachers have held the system together for a long time, but yes, they will need to be prepared to do some things differently. Likewise for administrators. Parents and students will be expected to do more.

Unity. Long-term focus. Action.

We've moved mountains in a year with that approach. Let's continue to work together to finish what we've started, for the benefit of all our City's children.

## **Finances**

The biggest challenge to our progress, as it is for most cities these days, is to find the money to address our needs. We are still navigating through dangerous financial currents.

We are still dealing with difficult budget decisions made in the past that constrain our options. One is the acceptance of a federal SAFER grant that funds some seventy positions in our fire department.

While I have lobbied federal officials vigorously to continue to support the continuation of the grant, as I stated on day one in my inaugural address, when the choice was made to accept SAFER funds, our course was set and our future locked in. At some point, the federal government will stop funding our fire department, and no obvious source of funds will be there to replace it.

We also continue to face environmental clean-up obligations, and most of the City's collective bargaining agreements have expired. All the while, too much has already been asked of taxpayers.

So we need to play the hand we have been dealt. That means budgets will be tight. My message to department heads last year, bears repeating this year: expect to do more with less. It also means that we have to continue our search for broader efficiencies. We are proceeding with plans to build solar energy projects that can generate electricity at a cost lower than what the City now pays. The largest of these projects, at the City's water treatment plant, will ultimately generate 1.5 megawatts of electricity and in the long run will save the City millions in energy costs.

The implementation of Citistat is also proceeding, and is already uncovering areas where belt tightening ought to take place. We are also making progress in reducing delinquent tax liabilities, and I thank the council for agreeing to loosen up the City's repayment plan rules so taxpayers who have fallen behind can have a fair chance to settle up with the City.

Our new CFO, Ari Sky, brings a wealth of experience to the job, and has hit the ground running. New Bedford has not had a CFO in seven years, and I expect his management of the City's finances will yield not only greater efficiency, but also a clearer public understanding of how the budget process works, which in turn, I hope, will lead to greater confidence that taxpayers funds are being managed well.

## **The Road Ahead**

To get where we want to go, to reach our destination, to realize our full potential – we all need to raise our game. My friend Robbie Mendes has been helping raise everyone's game at the Boy's and Girl's Club for over thirty years. He has made a difference in lives of countless kids by being a steady friend when needed, and enabling them to see a brighter future for themselves.

What Robbie exemplifies are the values I referred to earlier: work together, focus on our long-term goals, and take action. That is how we will move our City forward to a place we want for our children and grandchildren. Let's keep marching down that road together. Thank you, and God bless our great City.