

2012 STATE OF THE CITY ADDRESS

Douglas French -- Mayor, City of Rye

January 11, 2012

Good evening, it is an honor to once again stand before you as Mayor of the City of Rye to present the *State of the City* on this night and in this year – the year when the City celebrates its 70th anniversary of becoming a City.

Mayor Platt, Rye's first Mayor and whose portrait hangs in the Mayor's Conference room said in his inaugural address, given less than one month after World War II had been declared, said that the world "...was in troublesome times ...had we known such times were coming I sometimes wonder whether we would have undertaken this course ... In any event we have a job to do, we will carry on..."

70 years later, while the circumstances are far different, the same spirit now is called for all of us – for now is the time for the City to once again be pioneers and look forward, and not be historians and look back. Government as we know it needs to continue to change and we need to lead it.

There is a basic pact when each of us moved to Rye – great schools, great services, great value. That pact was threatened in 2011 as two forces – the prolonged economic recession and Mother Nature – put significant financial and emotional strain on the residents who make up our community.

- Residents like the retired couple who have spent their lives in Rye and now on a fixed income can no longer afford the rapid rise of School, City and County property taxes.

- Residents like the working couple who need two incomes to be able to afford to live here – but one has lost their job and remains unemployed.

- Or, residents like the working professional who is under-employed and has experienced a significant drop in their compensation and retirement plan; yet have incurred spikes in their healthcare coverage expenses.

- Or residents whose homes have faced drops in property values based on market conditions or flood waters.

Those are the conditions that shape the actions and policies of this Mayor, this Council and this City Management.

So, the state of the City tonight is one of resilience. Here are the highlights of what to expect in 2012 and the New Year.

Property Tax Relief – In the Spring of 2009 we began calling for property tax relief. The prior 10 years at that time had an average property tax increase for City services of 6.5% for each year for 10 years. Since then, the property tax increase has totaled only 5.4% for the last 3 years -- or an average of 1.8% per year. While the average property tax levy increase per year in the prior 10 years was about \$1M in each year, for the last 3 years that amount has totaled to roughly that amount. So, we will continue to manage costs and explore new revenue sources such as the transfer tax on cash home sales for example.

Healthcare – At a time when property values are declining or holding flat, mandated federal healthcare legislation and New York State pensions are growing at double-digits – putting enormous strain on local governments. While New York State manages the pension system and seems unlikely to make any meaningful reforms, the City will need to address the growing unfunded liability of employee healthcare to include reviewing with our City Manager and Finance Committee healthcare plan design, plan savings, and employee contributions.

Preventative Litigation -- Two things we know, one, everyone wants to sue the City; and two, every municipality has a different structure for their law department. We took a different approach and looked at legal services from a business perspective. Rather than pay attorneys hourly rates to get us out of disputes, we changed the model and are

paying a fixed rate to help pre-empt disputes by having Corporation Counsel at City Hall working with staff, Council and our boards. We also have one of the leading municipal law firms in the state at the ready should we need additional legal support. The results speak for themselves. Legal expenses and the litigation hourly rate are down, our docket is shrinking, and we have either settled favorably or won our cases.

The One-Taxpayer Approach – Along with coming together in 2011 to settle the long-standing Osborn Home dispute, the School district and the City have worked together on pedestrian safety and recreation initiatives. This has carried through in coordinating capital planning and exploring shared services. This will continue in 2012.

Fair and Affordable Labor Deals – The ability to pay for Rye taxpayers during the continued economic recession and in particular with the consolidation of the financial services industry of which Rye residents are tied closely to, calls for the City and its Police and Fire Department unions to agree on new fair and affordable labor deals as those contracts expired years ago.

Flood Mitigation. Rye has flooded and will flood again. This chamber has been filled the last 5 years with residents – and rightfully so, who are frustrated that the City (the people who have sat and sit at this dais) have not done more. But real mitigation is going to need real investment. The message from the Federal, State and County is clear; the local stakeholder needs to make a significant financial commitment first. Yet, Rye is divided on this issue. We will let the people decide and will work to put forth a flood mitigation measure for a public vote by the end of this year. Our plan is to retain more water upstream, starting behind Bowman Dam and to ensure that individuals and businesses make smarter/safer decisions for preparedness downstream.

Capital Investment -- The City's roads and infrastructure are worn. Purchase Street for example, the heart of the City, has not been fully re-paved since 1985. The City will review with the community infrastructure priorities for immediate need, that include recommendations from our Shared Roadways Committee, and will review how best to fund capital improvements that may include a potential bond at the end of this year.

Trash Collection – One of the basic staples of living in the City is to have your trash picked up – no one does it better than our DPW department. But are there ways to save money for the long-term? The City Council will ask the City Manager and our Finance Committee to tap into the experts on waste management to identify and make recommendations.

The Fire Department – The Fire Department has served the City extraordinarily well for decades and is a pillar of our community. Few residents realize though that our volunteer firefighters and paid firefighters each report into 2 separate entities. In any organization, especially when dealing with public safety and in a tax-cap world, the buck needs to stop with one person. The City Manager and I have spent the past year speaking with the Board of Wardens, Fire Chiefs, paid personnel, and volunteer firefighters discussing better alignment and we hope to finalize a plan in the coming weeks to meet these objectives.

Emergency services -- To supplement the great work by our first responders in emergency situations, the Council since Tropical Storm Irene has met with local organizations and leaders to discuss the creation of a volunteer network that could assist the community in many ways to include housing, transportation, working at shelters, communication and outreach, or clearing up debris to name a few. More on this to come. In addition, our public notification e-mail and text system – nixle.com that complements the reverse 911 phone calls continues to expand. Every Rye resident should sign up for this notification service to stay informed of emergency, public safety, weather and traffic issues around our City.

Recreation Services – Our recreational facilities, fields and open space are foundational to our quality of life here in Rye, but now is time to review them in a broader strategic context collectively to see if there are ways to optimize recreation opportunities. Why is it that Rye Recreation Summer Camps do not use Rye Town Park, or why do Rye organizations go outside of Rye to hold their functions and not at the City-owned Whitby Castle, or that organizations such as the YMCA and others are in need of space for community programming, but the Damiano Center at times sits dormant. I would like to propose a Recreation Taskforce that is made up across key stakeholders to see where opportunities can be accelerated and scaled. And of course, we will continue to have

our voice heard with the County as they look at the future of Playland and appreciate their inclusion of us in the process.

Environmental Sustainability – In response to public interest, we established an environmental sustainability committee to put together a sustainability plan for the City to look at our community carbon footprint, recycling improvements and community education. Their efforts have reflected the growing interests of a broad cross-section of Rye residents.

Preserving History -- Our history is what ties our generations together and we have continued to make it a priority of who we are as a community. One example is the public-private partnership to restore the Friends Meeting House and the Bird Homestead has proven very successful and is bringing a community spirit to that area after 10 years of being dormant.

So, as the City Council of Rye pauses at this address and to recognize the 70th Birthday of the City; we want to acknowledge the contributions of all those who have served before us; and also that we will heed the words spoken by Mayor Platt at his inauguration "... to govern wisely for the greater benefit of all."

So thank you to our City Manager Scott Pickup, his management team and the City employees. Thank you to our many committees, groups, and organizations -- the volunteers who spend hours advocating for their organizations, serving government committees and planning for the future.

A special thanks to my colleagues. Let me again be the first one this year to say thank you for your public service to Rye. Our role as Mayor and Council is to balance short-term community needs by making long-term decisions – sometimes very tough ones. We have done that and will continue to do so. So, on behalf of the Council, we look forward to 2012, ready to represent you, work with you and ready to serve. Thank you.