



**STATE OF THE CITY  
MAYOR SAL PANTO JR.**

**“Doing More With Less”**  
Tuesday February 22, 2011

Good Evening. I am pleased to report to Easton City Council and our residents The State of the City, where notwithstanding recent economic challenges nationally and internationally, our future is bright and our economic and financial recovery is well underway.

I would like to thank the members of City Council and our City Controller. Your dedication and commitment to our residents and the future of our city is commendable. As we continue to work together for the betterment of our residents I want you all to know how appreciative the Administrative staff is with our partnership. Indicative of this partnership is that all three budgets have been approved unanimously.

I would also like to publicly thank the Administrative Staff led by City Administrator Glenn Steckman and Directors Larry Palmer, John Bast, David Hopkins, Chris Heagele, Becky Bradley, Gretchen Longenbach and Pat Glory as well as our Solicitors Bill Murphy, Joel Scheer and Beth Knickerbocker. Special thanks to my Executive Assistant Jamie Hartranft. As I have stated over and over again, I am fortunate to have this team in place. They are one of the best Cabinets in the city's history. All are professionally trained in their area of expertise and all work hard for the common good of the city.

I especially want to thank my family -- my father who worked two and three jobs to give me the opportunity to go to college and my wife Pam for her love and support and her dedication to the city as well.

First I would like to say that this State of the City only touches on a small fraction of the progress our city has made in the last year. It would be way too lengthy to mention everything. However, City Council will have a full report tomorrow evening in which I will also include each department's annual report.

It is fitting that we meet here this evening in this little conference room instead of Council Chambers. The decision to streamline our government has been the focus of our Administration and consolidating City Hall from 5 floors to 4 floors was a goal we achieved. This allowed us to rent the 5<sup>th</sup> floor at \$70,000 per year and this year the Alpha Fund budget will return \$54,000 to the General Fund.

As you know, the basis for our Administration from the beginning has been Clean and Safe. I am happy to report that in 2010, under the leadership of Chief Larry Palmer we experienced an overall decrease in crime by 7.7%. Violent crime such as rapes, robberies, aggravated assaults and simple assaults all experienced decreases.

The areas that did increase were due mostly to our fully staffed police department's increased enforcement efforts. This year we also reached our goal of getting the department from 52 officers in 2008 to 63 officers in 2011. These areas included drug offenses, drunkenness and DUI arrests.

Calls for service were 4.5% less than in 2009. The police department also received reaccreditation by the Pennsylvania Law Enforcement Accreditation Committee – one of only 70 police departments out of more than eleven hundred police agencies in the state.

Problem Oriented Policing Unit consisting of three officers was started in 2010 largely as a result of the increase in officers, allowing more time for preventative policing and community policing. Additional technology was installed including cameras in the sky around Paxinosa School and the Northampton Street Corridor. Additional cameras will be installed along the new waterfront park this spring and continued placement throughout the city.

The police department also implemented our own Special Response Unit to serve low to moderate risk search warrants and other incidents that require a higher level of tactical training and equipment.

Our Fire Department, under the leadership of Chief John Bast, is also a partner of the Safe side of our goal. As a small city our Administration supports a professional fire department that is ready to roll 24 hours a day, 7 days a week. Our Fire Department is a team of professionals that serve our residents with excellence, dedication and pride. In 2010 the department responded to more than 1,800 emergency calls and 650 non-emergency incidents. The Quick Response certification allows first-run apparatus to provide Basic Life Support care at medical emergencies. This year firefighters attended to 269 patients, providing emergency medical care until transporting ambulances arrived at the scene. It is another level of safety that our residents are afforded.

I believe I am most proud of the Fire Department and Police Department's concern about young people. They visit schools, playgrounds and community events on a regular basis constantly assuring the public that they are available and giving lessons on safety in the home and at play.

Another area of Safe is our commitment to the expansion of the Code Enforcement division. Through their inspections and enforcement of the building and maintenance codes they help to prevent fire and other types of unsafe conditions.

The Clean side of our program is the responsibility of the Public Works department. Director David Hopkins gets the job done. His department has been stretched the furthest and yet they are **doing more with less**. The newly implemented street sweeping program has been a remarkable success and widely received by the public.

The very successful Easton Ambassadors Program also contributes to the Clean side of our goal. This year, as funding for the program ran out our Administration committed the funds to keep this program in our city. Our total commitment to the Ambassadors, the award-winning Main Street Initiatives and the very popular Easton Farmers Market is \$425,000 in the General Fund budget and \$40,000 from CDBG funds.

We also know that if we expect our residents to maintain clean properties we too must do the same with public property. The Public Works Department completed the clean-up, painting, fencing and plantings at the South Third Street train station giving our visitors a nice entrance to the downtown and to the South Side neighborhood. In 2010 grants totaling more than one

million dollars were invested in our city's neighborhood parks plus \$4 million from the Delaware River Joint Toll Bridge Commission for the waterfront park. These improvements are a commitment to our youth, seniors and the need for people to have nice places to relax, enjoy active and passive activities and develop family memories.

Stormwater projects, bridge project preparations for this year, Heil Pool Spray Park design and construction, planting more than 200 additional street trees, improvements to the Parking Garage, improvements to City Hall and the list goes on kept the Public Works department busier than ever at a staffing level more than half the size of 1984. This department like all others is doing more with less.

The Human Resources department, headed by Pat Glory, was also very busy. There were new hires, civil service lists to maintain, more retirements than usual due to the Early Retirement Incentive, resignations, labor issues and fire arbitration. As the city becomes more and more streamlined and relies more and more technology, hiring competent employees becomes a priority.

A vibrant city must be focused on its future. William Allen White wrote, "I am not afraid of tomorrow because I have seen yesterday and I love today." It is our vision for tomorrow that keeps us working hard to succeed everyday. This requires thorough, strategic and integrated analysis of all aspects of city government and developing and implementing a strategic vision of sound policy, sustainable and compatible land-use, equitable housing and transportation, open-space and recreation opportunities, historic preservation and compatible new development and public and private investment.

The city's new Smart Code promotes growth that is consistent with Easton's historic urban character. The Planning Department with Director Becky Bradley and the Community and Economic Development Department with Director Gretchen Longenbach are tasked with the responsibility of helping to shape and design Easton's future.

With more than 190 million dollars in public and private investment in the last two years and into the next two years these departments, like all others, have been extremely busy.

In addition to normal land development and planning activities the planning department works closely with Public Works and Economic Development to assist in grant applications, major city projects like the design of the intermodal project and developing it into what will certainly be a landmark structure in our downtown and the \$3.75 million PTCI grant which will transform the entire South Third Street streetscape into an inviting entrance to our city. The Planning Department also worked on other projects including: planning, design and land acquisition for The Karl Stirner Arts Trail with groundbreaking this Spring; the "Road Diet" for Larry Holmes Drive; the Downtown modular newspaper racks; sculpted bike racks; the waterfront park and all of the many improvements you see around the city.

The city Code Department performed nearly 5,000 inspections last year and responded to more than 1,000 complaints, issued over 1,700 permits and issued over 500 violations. We will not stop until absentee landlords and derelict property owners fix their properties to make them Clean and Safe. We will continue to work daily to rid our city of filth and blight. Our success in 2010 with the Hub Cap Store we are energized to move on to other blighted properties. We will enforce the codes consistently and fairly and everyone is expected to comply.

Protecting the health of our community is one of the most basic obligations of local government. The Health Department inspects over 200 permanent licensed establishments and more than 120 during special events. This department also assists us in the enforcement of our utility termination program for severely delinquent residents, businesses and landlords.

The Community and Economic Development department was also very productive. In addition to promoting the city as a great place to do business and create jobs, this department also seeks and administers a large number of competitive grants that we have been successful in securing.

We have not waived from our economic development strategy based on the arts, entertainment, culture and tourism. Significant projects include:

- ✚ Lafayette College's new \$20 million Film and Media Campus on North Third Street continues to strengthen this important partnership between town and gown.
- ✚ The opening of the new \$6 million Sigal Museum
- ✚ Attracting the National High School Sports Hall of Fame and the new \$20 million intermodal project on South Third Street
- ✚ The recently completed \$1.5 million expansion of the State Theatre
- ✚ This summer's Urban Arts Festival sponsored by Lafayette College and the city with a \$200,000 grant from the National Endowment for the Arts
- ✚ The increase in visitors to the Crayola Factory and the National Canal Museum from 250,000 in 2007 to more than 300,000 each of the last three years.

Additional economic development projects include the Lipkin's building; the long-awaited restoration of the Pomeroy; the new CVS complex and the \$60 million 150 new homes in the Neston-Heights development and the convenience market in the West Ward. This year the first phase of the Simon Silk Mill will start and has the potential to be the largest economic development project in 100 years.

Community development is equally important as we continue to improve the housing stock in our neighborhoods. We received large grants to award home owners and businesses for energy efficiency upgrades, façade improvements and for the first time the city is offering a \$9,000 incentive to de-convert multiple units back to single family residences. We will also continue our city-directed rehab of homes throughout the West Ward and South Side which is an ongoing program that sold three homes last year putting them back on the tax rolls.

This year we will start a program I am calling "Let's Build Easton" – a program aimed at building new homes on vacant lots throughout the city creating homes for families and increasing the tax base in the city. We have already applied for a \$500,000 grant to fund the program.

All of the activity mentioned could not happen without success in our first priority – a solid financial foundation. The only cities that will do well are those that are about the numbers. We have restored fiscal responsibility and I am happy to report that our city finances are the best in years, even in this recession, the worst since the great depression. We are no longer on the verge of applying for Act 47 state oversight and millions of dollars in deficits have been erased. Despite the financial challenges that have shaken our state and nation, our Administration's conservative budgeting has prepared us well to weather the current impact of the financial crisis. The best example of our financial success comes not from me or the staff, but from an independent third party --- Standard and Poor's. They increased our rating from BBB to an A- and they cited in their report not some wonderful expansion program, or industry moving into our area – they gave credit for this increase to the financial management team in place in the City.

Make no mistake about it; our Administration is all about the numbers and living within our means. The staff knows that **my financial policy is for the long term, not the political term.**

We have implemented fair and consistent collection practices and we expect everyone to pay their fair share.

As a result, the Finance Department, under the leadership of Director Chris Heagele, is collecting more of the money owed to the city. For example, in 2010 we collected 96.25% of real estate taxes owed up from 2009 levels of 95.5% and 94.5% in 2008.

These same fair and consistent practices as well as implementing traditional collection practices have helped us collect outstanding taxes, fees and utility receivables.

This year also saw our third year end surplus, approximately \$500,000 which helped to balance this year's budget – our third budget without a real estate tax increase. Between increased pension contributions and the loss of the Sollman Scottsdale Insurance lawsuit (\$600,000 per year for ten years) our budget gap this year was again over \$2.4 million. Even large increases in the trash collection contract have been absorbed without an increase in the trash fee. Balancing these budgets without an increase weren't easy. Each year we had to cut more than \$2 million dollars on the expense side to bring them in line with expected revenues. Our residents cannot endure continued tax increases -- especially in light of the school district's continued increases.

Another area we are placing additional energy is in our special events. Festivals and large public events celebrate the diverse cultural resources of our community, increase entertainment options for local residents, provide economic opportunities for local artists, entrepreneurs and businesses, increase tax revenues for city government and support local charities. We will continue to expand special events especially in our new waterfront park. Like the city of Lancaster, under the direction of Jamie Hartranft we will be forming the Mayor's Office of Special Events – more affectionately referred to as the MOOSE.

Our Administration is willing to take risks and make the changes necessary to make Easton a better place. We study and research all of our changes to make sure that they have a high degree of success. We are not afraid to make the tough decisions. For example, there were many people who doubted the road diet on Larry Holmes Drive saying we would cause traffic congestion but we evaluated all of the evidence and were not afraid to move forward. Today people are enjoying a new attachment to their waterfront and calming of the traffic.

When our Academy Award winning film editor resident Gershon Hinckson came to me with the idea of a movie festival in Easton we signed on and worked hard to make it happen. Yes there were naysayers that said we didn't have enough time or talent but it was and continues to be a huge success and Movies at the Mill has gained recognition far beyond the Lehigh Valley region.

The Red Bull Rail Jam would have been turned down by many Mayors. But when Greg and Billy from Drinky's came to the office I think even they were surprised that we embraced the idea of attracting younger members of our community. It was a huge success. Every business has told me that it was their best day of business.

We are not afraid to try new things. We are not afraid of change. We embrace it but only after the research and evaluation has been done. And we will continue to seek the changes needed to streamline local government especially as the state and federal government balance their deficits on the backs of local governments.

There is little doubt that one of our changes was the increase in transparency of Easton government. During this Administration there has been little if any confrontation. People are genuinely happy with the direction of our city. Everything we do is in the open and we involve as many individuals as possible. A good example is the intermodal project – once inundated with opposition confrontation today our intermodal project has been fully vetted by many individuals and by involving more people there is little opposition.

Possibly the most important goal was to bring respect back to Easton government and our city. There is little doubt by anyone that even in the worst recession since the Great Depression our city is the envy of many others and we are looked to for our formula of success. In just three years we have returned Easton to a shining star status in the Lehigh Valley.

In closing, we will continue to do **even more with even less** -- it is the reality of these economic times. Over the past three years we have made many changes in city government. I am proud to say that our Department Heads and our city employees have stepped up to the challenge. Together we have tremendous talent, creativity, wisdom, and dedication....a relentless spirit and the ability to come up with creative solutions.

My goal when I took office three years ago was to maintain a balanced budget without tax or fee increases. We've done that but my goal for 2012 is to do even more with less. **My goal for the 2012 budget is to reduce taxes and the cost of living in the city of Easton.**

We will continue to work hard to make Easton a better place for all people. Make no mistake, we are facing serious challenges, and how we respond to them will mark our destiny. **But I am convinced more than ever that our destiny is great... the vision driving it inspired...and the leadership steadfast.**

Thank you and God Bless you and God Bless our city.