



State of the City 2016
Mayor Sal Panto, Jr.
Easton PA

Members of the City Council, Cabinet Members, Honored Guests, and friends of Easton.

I am pleased to present the 2016 State of the City Address.

First I would like to congratulate our newest Council members Melan and O'Connell and veteran Council members Vulcano, Brown and Ruggles and City Controller Bassil I would like to thank them for their support and cooperation. We have made the purposeful effort to move our city forward and represent our citizens in a meaningful way.

In an era when local government leadership is too often defined by rancor, discord and political struggles, our team is a shining example of cooperation, disagreement with respect, and hearts that are absolutely focused on the community and our outcomes, as opposed to politics.

I would like to ask all the members of my Cabinet to stand and be recognized. This is our team, and their talents, skills and commitment are making a difference in Easton.

The State of the City is one of my favorite annual events because it gives me the opportunity to share some of the outstanding things we have going on in our community, while also trying to forecast the opportunities and challenges that are ahead.

Our past eight years have been filled with challenges and opportunities and today Easton's momentum is unparalleled. It wasn't that way eight years ago. On the verge of Act 47 state take-over, together we developed a financial recovery plan that forced us to reduce costs, increase collections and make our city as efficient as possible using as much OPM (Other People's Money) as possible.. As I said, Easton's momentum is unparalleled and we continue to be recognized regionally for all of the progress we've made in recent years, in spite of the tough budgets and economic times. I believe that bleak chapter in our history is behind us and we have worked hard to position Easton for the future.

Let us keep in mind that we are still operating under the effects of the Great Recession, the worst economic catastrophe since the Great Depression. Economic forecasts are mixed but improving slowly. Certain indicators of an upswing in the economy are up significantly, while other areas, such as sustainable job creation, are down or stagnant.

When the voters elected me more than eight years ago, we promised a clean and safe city with fiscal responsibility that would curtail the ever increasing costs to our residents. .I am proud to stand before you tonight and say that we have passed a balanced budget eight years in a row without raising the real estate tax rate in spite of escalating increases in healthcare and pensions. Nor have we repeatedly raised other costs to our residents. Our crime rate continues to decline and our economic development program continues to soar.. We have not waived from the goals of 2007.

Our RatingsDirect report dated September 28, 2015 stated that we have maintained our “A+ rating and stable outlook” for the Bonds to be issued yet this year. It further states that the City of Easton has “strong management, with good financial management policies and practices.” It goes on to further state that Easton has a “strong budgetary flexibility” and reports that we have strong liquidity based on our reserves. The main negative cited was the “weak economy” of our area.

We are not resting on our laurels. A status quo approach is not sustainable. We will continue our investment of finances and resources in economic development, community development and our infrastructure. More than anything, we must increase the earning capacity of our residents. We continue to be lowest in annual earnings per resident and have the highest unemployment rate in the valley.

Crime is the top priority of any city. I am not naive, I know it is not in our power to eradicate crime completely, but it is in our power – and it is our duty and our responsibility – to provide a safe environment for all our citizens. Tonight, I am proud to report that our men and women who serve our city in the Easton Police Department have fulfilled that pledge. 2015 saw another drop in our crime rate and an overall decrease of 10.77% percent with a notable decrease in UCR “Part 1 violent crimes decreasing by 15.80%. Total calls for service decreased as well by almost 2%. I know there are skeptics who don’t believe this but let me point out that the City of Easton is no longer eligible for Department of Justice grants because our crime rate is too low. Also, through its tireless efforts in working with the Department of Justice, our police department has been released from the department’s over sight dating back 10 years ago.

This did not happen by accident. We deployed our Patrol Officers to conduct directed patrols throughout the City. During these patrols the officers walked or biked their beats and became a familiar presence, a practice that will continue this year. Easton is leading the way in urban policing and crime reduction, and we are making our city safer for all of our residents and businesses. Our department continues to be called upon by surrounding departments and the state police for assistance.

While we are on the topic of public safety, I want to recognize that, as a country, we’ve had some discourse lately about police brutality and abuses of power. I understand that is an issue in some places in the country. This is a complex issue with many issues and challenges. But, I want to be clear that, in Easton, we have tremendously professional police officers who impress me both in the incredible restraint they show in their work and in their dogged ability to capture their suspects. If you are hoping to continue your criminal enterprise, I can tell you with much certainty that if you do the crime in Easton you will do the time.

Our professional fire department continued to maintain a response time of 3 minutes and 56 seconds and a total of 327 fires were investigated and more than \$5 million of property was exposed to risk with total losses at \$587,000 for a total percentage of property saved at just over 89%.

Fighting fires and emergency medical response is not the only aspect of our fire department. Last year more than 4,900 children and 2,800 adults were involved in their educational and prevention programs.

Just as importantly, our firefighters were also involved in several charitable endeavors including raising more than \$14,000 for Muscular Dystrophy Association, Give Burns the Boot and their own Operation Warm which provided needy children with brand new winter coats distributed to needy children in all three of our elementary schools.

With our continued focus on eliminating blight in our city and creating affordable housing for families, I recommended to City Council to separate the Department of Planning and Codes into two

departments. The creation of the Department of Code Enforcement expanded the role of the Chief Code Administrator to that of a Director. With these changes came a refined focus on improving quality of life and quality of neighborhoods through engaging property owners and residents with cooperative relationships.

In addition to the daily enforcement, the summer 2015 saw the first round of evening outreach. During the long summer days, Code Compliance Officers were out in the neighborhoods to meet with property owners who normally aren't available during the day to discuss code violations and avenues to correct them. As part of this effort, Rental Compliance Officers scheduled rental inspections after normal business hours to accommodate landlords and tenants who were not normally available without missing work time. With the new budget all code officers were increased from 35 to 40 hours a week to provide even more inspections.

Rental Officers performed approximately 3,000 initial and follow-up rental inspections in 2015 and we are increasing the number of Rental Officers again this year. We had one in 2008 and now we have 3 as we place a higher standard on our landlords. Proactively we also began a Landlord Training Program to educate landlords and promote neighborhood safety. A nationally recognized consultant was retained and more than 800 landlords were invited to participate as well as key stakeholders

More than 1,900 building permits were issued in 2015. A new software systems and now allows Code Officers to invest more time in the field working with residents to help build cleaner and safer neighborhoods. Additionally, with the investment in new technologies, such as iPads and mobile printers, the department is now better equipped to quickly respond to the needs of the City and to provide more services.

Our Health Bureau issued 189 annual licenses, 224 special event licenses and handled 40 health complaints. Their role was also expanded to assist Code Compliance Officers with health and sanitary issues. The Bureau of Health works tirelessly in ensuring that residents and visitors have a healthy experience at City Events and at our many great restaurants as well as addressing residential issues like lead paint and bed bugs.

The other department segregated was the Department of Planning and Codes. Their most important endeavor last year was the completion of the city's Comprehensive Plan. Entitled "Transform, Unify and Thrive" this plan provides the path of success for the next 20 years. Excellent economic development has also kept this department busy with plan reviews, special exceptions and land development reviews and zoning.. The estimated value of development for 2015 was in excess of \$50 million bringing us to more than \$450 million of public and private dollars invested in the last eight years.

Community and Economic Development is our path to continued success and has always been a high priority for this Administration.. The goals are the creation of jobs, retention of jobs, increasing the tax base and increasing the population of our city. We have concluded another great year in this department and from the largest project in the city to the least, they are all important to achieving our goals and keeping real estate taxes at least level.

We can all be proud of our largest economic development project – The Silk Mill. The city owned the property when I took office in 2008. And like most things in Easton at that time, no one gave it much hope. Using OPM, “Other People’s Money” we were able to get grants in excess of \$8 million to first have a Master Plan developed to see what the best and highest uses were for the dilapidated mills. The Master Plan not only provided for a structural engineering report for all of the buildings and the underground tunnels, but it also provided for projected use of the structures based on attracting the creative class to the site to live and work. We then tested our theory and retained Arts Market to provide a study to see if an arts-related use would be successful. More studies and more grants followed. We used these grants to remediate the soil, lead paint and asbestos. The critics continued. Many said tear it down and put up a shopping center. We knew we needed to do the due diligence before we could even get a developer interested in such a large project. But we stood by our goals and were inspired by the words of our recently deceased friend Karl Stirner. – “We will fail ...if we fail to think big!”

Another parcel that many said to tear it down and create parking is 118 and 120 Northampton Street. Working with the Redevelopment Authority we invested in securing the exterior and then placed an RFP to developers. Today this parcel is under construction by a private developer. The apartments will add to our population goals as well as two new store fronts.

Our housing rehab program continues with eight more homes rehabilitated for single family use. Working with the West Ward Neighborhood Association, CACLV, The Lehigh Valley Land Trust and others even more residential units and facades have made our neighborhoods cleaner places to live.

This year we will be paying very close attention to abandoned and foreclosed properties and looking at ways to prevent and minimize this from happening. We have already been able to offer help, advice, and resources through a number of workshops and we will build on that success with ongoing support in 2016. Easton City Council has approved additional borrowing of \$500,000 in our next bond issue to continue this program now that the feds and state are eliminating the needed dollars. We also expect to have local banks participate and build the fund to one million dollars. These once blighted and vacant homes will become owner occupied homes for working families.

Downtown Easton continues its remarkable evolution. With City Council’s support of the \$1 Million grant we all await the opening of our Easton Public Market which will occur soon. The market’s success is based on a diverse group of vendors which will provide year round indoor market to complement the ever growing and hugely successful outdoor market – the oldest outdoor market in the country and voted number one.

Coupled with the two other Greater Easton Development Partnership (GEDP) programs -- the Main Street Program and The Ambassadors -- downtown Easton is alive and well. Whether you visit for dinner, a show, some of amazing art galleries and museums or just to visit and walk around and experience the vibes that are in our urban core, Downtown Easton has much to offer including our locally owned specialty shops.

The long vacant unemployment building on Ferry Street, the long vacant Heritage Lanes building as well as the mostly vacant Wells Fargo Building have all been sold and are under construction or in then planning stages.

The former Express Times building has been sold and the empty lot, or missing tooth as urban planners like to call them will be home to our much needed new police facility and the developer is looking to additional uses on the site.

A premier premier building in our downtown, the Governor Wolf Building, is almost complete and residents are moving into the 48 upscale apartments.

Without a doubt the most visible department in the city is also our largest. It is the Public Works Department that most residents and visitors see the result of their labor. This department completed Easton Neighborhood Center improvements; working with Lafayette College who provided the

funding the Karl Stirner Arts Trail was connected to the campus safely; they also were the oversight for the construction of the new City Hall as well as provided for the move and many of the tasks associated with the new building; successfully completed the conversion of Fourth Street to two-way traffic; completed work on the Simon Boulevard at the Silk Mill; completed the North Third Street parking lot upgrades and too many more to list. In addition they have a lot more in store for this year.

The Human Resources Department was enlarged to include a full time Compensation and Benefits Manager. The departments goals continues to be to recruit, motivate and retain the best employees to sustain a high performing workforce that also provides for continuity through succession planning while working together with the other members of senior management to encourage collaboration, innovation and partnerships at all levels.

The department has also retained training for all employees and has successfully recruited from more than 990 resumes and applications for new hires with an attention to diversity in our workforce.

As you can see my message is very positive because that's where our city is right now. That is why my message is entitled "Don't Stop Believing." We have come far but we have a long way to go. This is a time to be proud of our accomplishments but also to re-dedicate ourselves to taking Easton to the next level.

I am proud to report that tonight, our transformation has begun, and the state of our city is strong. We look forward to this new year with optimism and good will and a deep, abiding faith that together, we are creating an Easton that is rising to new heights. The diversity of our city creates a rich tapestry that gives us a unique opportunity unlike many other communities.

This brings me to what will be an important project for 2016. This year we will begin the process of marketing and re-branding our City. We must do away with the misconception that Easton is not a safe place to live. We have a great lifestyle to offer and we want our residents and visitors to spread the word.

Our branding initiative will support our redevelopment efforts. As more people understand the opportunity that Easton presents, our ability to attract more investors will expand exponentially. Easton is indeed a great place to live and work and that is the platform that we want to use to engage potential residents, investors and yes, even our own community. We have to see ourselves the way we want others to perceive us.

Easton is a city of neighborhoods, and they are the foundation of our future prosperity. The biggest challenge confronting our neighborhoods is the scourge of decades of disinvestment and the hundreds of vacant homes left behind. They are a detriment to our neighborhoods and our residents' housing values.

Now, I'm eager to move ahead with all of the great plans for this city. Those plans will lead us on an amazing journey. It's a journey that paints a bright and exciting future for Easton but one that is not without its challenges..

In 2015 we planted over 200 new street trees and this year we will hire the first full time arborist for the City. This individual will also help with our sustainability and resiliency programs

We are embarking on the initiative for energy efficient street lighting, traffic lights are complete, buildings now have more efficient lighting, City Hall is LEED certified

The City has implemented an integrated pest management program which has significantly reduced the use of chemicals used in parks and grounds maintenance

Currently methane at the WWTP is used to heat buildings, in 5 years the goal is to use methane to produce electricity and make the WWTP completely energy independent, and in the future we may be able to power our fleet with processed methane

The City government is currently using 50% renewable energy, we could seek to be 100% in two years

We are implementing and will be expanding our stormwater management best practices – Sullivan Park 2014 state winner.

Materials recovery efforts have moved forward with recycling efforts and we are still the only municipality in the region to offer the RecycleBank program which rewards our residents for recycling.

The City and our sewer authority have invested more than \$10 million in the past 5 years in process upgrades at the WWTP

The City is and will continue to be a partner in the urban farm and other community garden efforts as well as the veggie van and other efforts that provide fresh produce to our residents.

This year we also plan to:

- Construct our new police facility on North Fourth Street
- Expand city-wide surveillance cameras
- Review and update the Historic District Ordinance as well as the Zoning Code once the new Comp Plan is approved by City Council
- We will always seek OPM, Other People's Money through county, state and federal grants,
- Our continued efforts in eliminating blight in our neighborhoods and the implementation of our \$1 MM Housing Rehabilitation program primarily in our West Ward
- We are currently working with developers on the following projects
 - Black Diamond
 - Southside townhouses
 - Heritage Lanes
 - Alpha Building
 - Wells Fargo building
- As part of our marketing effort we will be implementing our Gateway signage and neighborhood identification signage program as well as a larger presence on the web and social media.

Ladies and gentleman, I cannot stand here and talk only about the good things happening in our city. Make no mistake, everyday we have challenges, real challenges that are the result of others inaction or refusal to address the issues so important to the future of our city.

Yes, I am talking about things like municipal pension reform which the state legislature refuses to address. I know these are tough decisions and they are politically sensitive issues. But local municipalities, not just cities, are creatures of the state and we cannot correct these huge annual increases without state action. And remember, we are not talking about current employees. We are not talking about cutting their pension benefits. We are talking about pension reform for new employees only. If we are so lucky to get pension reform it won't help the local officials that are lobbying for it, but it will help local municipalities in the future when new hires retire. Imagine what we could do if we didn't have to pay an additional \$6 million to our unfunded liability. We could decrease taxes, increase spending on infrastructure, parks and streets.

We could even address the homeless and other social problems. Homelessness is an overwhelmingly broad societal issue impacting communities across the nation. As a nation, we have a lot of work to do to change the economic, substance abuse and mental health circumstances that too often lead to homelessness. We also need to take a close look at some of the legal restrictions that too often tie the hands of local governments to maintain health, safety and order in our communities. Our approach to homelessness in Easton is, and will continue to be, compassionate, but it will not be delusional.. With the state and federal government cutting social and human service funding we as a City must look to ourselves to solve these social ills of society. We need to provide the funding that is so important to reducing the number of homeless in our city.

Tonight, I pledge the City's continued support for our schools, and I ask all Eastonians, those who live in the city, and those who own businesses and properties in our city, to commit as well. Easton will not achieve its full potential until we educate all of our children and give them the future they deserve, and my administration will do everything in its power, working in close partnership with the Board of Education and the Superintendent, to make that happen in Easton schools, and I commend Superintendent John Reinhart and the Board of Education for their work.

As I said yesterday at the exciting announcement of the Easton Hospital clinic in Paxinosa School – we cannot arrest our way out of crime and drugs. We need to address the problem by starting with the education of our youth.

I say to you that the State of the City is strong, we have advanced immeasurably since 2008 when you entrusted me with the role of your Mayor. 2016 promises to be even more rewarding as we continue to work together. We are stronger when we work together, we achieve more when we work together, we can change the world when we work together. This evening I leave you with more wise words from Dr. King - We must learn to live together as brothers or perish together as fools.

We need to keep the momentum moving forward and I believe that the plan we have in place will do just that. Once again I commit to serve you with integrity, character, respect and accountability.

Thank you for the opportunity to be here today, and for all that you all do in our community. It is the honor of a lifetime to serve as your Mayor, but I couldn't do it, I would never do it, without people like you stepping up alongside us and serving one another. That collective willingness to serve and sacrifice, in a nutshell, is the state of our city. Thank you very much. Thank you! May God bless you, the City of Easton and the United State of America. Good night.