

MAYOR'S
STATE OF THE CITY ADDRESS



January 7, 2014

Mayor Ellen Dickson

STATE OF THE CITY
January 7, 2014

Salutations ---

Tonight, I am going to talk about the State of the City. Summit is a very successful community, but also a very giving community. And yes, we have faced some challenges, but I think tonight you will see we are building from a strong foundation and have the ability to make Summit even better.

Much of the information you are going hear from me comes from the City of Summit's Department heads.

In, hopefully, the end of an era of financial turmoil - Summit issued \$9.6 million of bonds today at the rate of 2.49% for a period of 14 years. The rating of the bonds by all three major credit rating agencies was AAA. Standard & Poors added that their rating has an upward bias because of what they see as the potential to be realized from the development of the 88 acre Merck property. The Merck campus is being marketed by Jones Lang Lasalle. If a single buyer cannot be found, the Planning Board is ready to evaluate the needs of the owner and the City as conditions warrant.

Summit property owners invested more than \$56 million in total construction value into their properties in 2013. That resulted in a 13% increase in building permits, total gross construction fees of \$792,505, and 9.797 UCC inspections.

The Department of Community Services response work on super storm Hurricane Sandy continued well into 2013. Their efforts included proactive measures to be even better prepared for other weather events. They developed an online interactive management tool for the City's signs, trees, and utility poles. A major tree removal and maintenance project was completed. In partnership with the Summit Area Development Corp., the northern quadrant of the Village Green was upgraded. In coordination with Summit Downtown Inc., many of the crosswalks were repaired.

On the financial front, DCS filed the paper work that helped Summit get FEMA receipts of \$378,000 for Hurricane Sandy, and \$482,000 for the October snowstorm. In 2012, we received \$468,000 for Hurricane Irene. Also, received was \$155,000 of insurance settlements for Hurricane Sandy.

At the core of DCS is the Department of Public Works. I want to acknowledge the efforts of the Garbage and Trash Division. They were out there today in this historic freeze doing their job. They do it all the time.

Now, the Police Department – To quote Chief Weck, “All of the right numbers are up, and all the right numbers are down.” For instance, pedestrian safety is up by substantially and enforcement numbers for accidents are lower. Community policing is

working. There is a greater presence downtown with foot patrols, bike patrols and walk thrus.

A definite increased presence.

This is very safe community, but we need to remain vigilant. Most of our auto thefts involved unlocked cars – please lock your cars.

Next, the Fire Department – Our in house project team designed and wrote the specs for a new fire engine, which is replacing a 25 year-old one. It was made in South Dakota and just arrived in New Jersey. We expect it to be in the firehouse any day. Our project team is working with design professionals on plans for new fire station. Parts of the current station are over 100 years old.

Of course, our Fire Department and Police Department support each other and have provided increased training and equipment to Summit's first responders. Our combined dispatch with New Providence is expected to be operational by July 1st.

Our Department of Community Programs continues to share the fun and received many accolades this year. For instance, New Jersey Parks and Recreation Association named Mark Ozoroski Professional of the Year. Screen on the Green got their award for Event of the Year. The website was named Electronic Media of the Year.

Regarding downtown, it is arguably one of the top attractions of Summit. It has an authentic look, walkable scale, and a variety of offerings. But it can be even better.... that is the intention of the Downtown Planning Study and the recommendations will be an important blueprint for action for the Planning Board and Council during 2014. Summit received Transit Oriented Development Status in 2013 from the State of New Jersey. This may qualify us for additional grants.

The redesign of the three DeForest parking lots was awarded second Place for Construction Management Projects in a statewide competitive evaluation by the New Jersey Society of Municipal Engineers (NJSME). The redesign helped space get freed up for shoppers and the lots pay for themselves. You should know the Summit Downtown Inc., the management body for the special improvement district, voted in favor of a new parking garage. The need for more parking should become more apparent as the Bagel Chateau and Infiniti properties are developed.

To improve communications, we have added a Communications Specialist. Amy Harrison is a temporary, part-time, communication specialist for Summit. She works about 15 hours each week and her duties include evaluating our existing communication program and recommending improvements. Other responsibilities include establishing a process for use of social media, updating the City website and social media sties and development of an overall communication plan. On a personal note, she has been very helpful to me.

The Board of Education - This year we thanked George Lucaci for his many years of service. He was President of the Board. In his place, I appointed James Freeman, who brings a fresh perspective. The Board of School Estimate approved a \$17 million spending plan that will improve facilities including additions to Franklin and Jefferson; as well as Science Labs and improvements to the Auditorium for the Middle School. These projects have gone out to bid and are projected to start soon.

I would like to thank SEF, the Summit Boosters and Summit Performing Arts parents for the all the funds they raised to be reinvested in the schools as well as the all the time they volunteer.

A vote was taken regarding instituting full day kindergarten. It was voted down. I want you to understand why. There are many pressures on the school budget because of the 2% cap, increased enrollment and other pressures like state mandates and efforts to improve security.

Still, it was not just a financial decision; there are many alternative programs that already exist in Summit. They are part of the fabric of our community. These programs are run by our churches and temples; the Connection and other charitable organizations; as well as some of our private schools. These entities have invested their resources in the Summit community. They already give Summit a diverse flexible offering of kindergarten programs. Unfortunately, the Connection lost \$250,000 of funding and had to layoff four employees when the City started a pilot tuition based full day kindergarten program.

The Library has a new head - Susan Permahos and she is completing her first year. She has restored Thursday evening and Sunday hours, restarted Friends of the Library, and added many new offerings including a big expansion of eBooks and 16 electronic magazines. The Library has issued a survey to better serve the community, please take the time to fill it out on www.summitlibrary.org.

Regarding COAH – the Council on Affordable Housing – our spending plan was recently approved. That makes Summit one of the few communities with an approved plan. We take our obligations seriously.

A relatively new effort, the Summit Conservancy was founded and became a 501c3. It hopes to support the Summit Free Market with a permanent structure at the Transfer Station, and eventually help support the development of the Passaic River Trails Project along with other projects. Eagle Scout Liam Stewart has been working on the trails and built a bird viewing area.

Summit YMCA received a grant to help establish the Community Garden Effort. It was hugely successful. Overlook Hospital donated the land. This coming growing season, we will have to allocate lots by lottery because of greater interest. We are hoping to find additional locations.

The Summit Y will have a new President & CEO starting January 20 – Paul Kieltyka. He was CEO of the Somerset Valley YMCA.

One of our continuing challenges is our power grid. As I mentioned last year, we were looking at ways to improve infrastructure with JCP&L including burying wires. The Deforest Ave. area was looked at and determined not to be cost effective. Chris Cotter and I have met with three top officials about putting in an additional underground loop around downtown for critical infrastructure. They are not optimistic this will be financially feasible. They will let us know soon if it makes sense to bury the wires in the loop around downtown. I talked to our contact today at JCP&L and yes - it really was a raccoon that caused our recent outage.

Now, I want to talk about taxes. Summit households pay a lot of taxes. The State income tax was passed in 1976. It was passed with the intention of lowering local property taxes with the intention of funding local public schools. In 2011, Summit residents paid \$168 million in income taxes and received \$4 million in State aid. Stated another way, for every \$39 paid in state income taxes - \$1 is returned for local purposes. On a per capita basis, the State income tax equals \$7,948 per resident.

Regarding real estate taxes, Chris Cotter recently analyzed Union County Board of Taxation's Abstract of Ratables. Summit residents pay the highest average taxes at \$16,423 per household and we pay 10.5% of County taxes, second to Westfield. Elizabeth with six times the population of Summit contributes 10.16% of the County taxes. In 1976, our property tax distribution was 58.7% to the schools; 23.6% for city services; and 17.7% to the County. In 2013, the distribution was 51% to the schools, 26% to the County, and 23% for city services including the library. Since 2000, Summit's taxes to fund County services have more than doubled while inflation has gone up about 40%. Of great concern are the recent double-digit increases for County tax payments. These potentially crowd out other very meaningful efforts and add to the already high cost of living in this area. We repeat our request to the County Freeholders to stick to the 2% spending cap.

One of the joys of the office is performing weddings. In the last year, I performed a civil union and 30 weddings, of which several were same sex weddings. I was honored to be able to preside in all of these ceremonies.

VOLUNTEERS

This night is about volunteerism. None of the people honored tonight is paid. Those we are honoring tonight have spent many hours and years working to make Summit an even better place to live. We have 34 residents going off our many boards including two Council members – some with many years of service. This night is dedicated to you!

Let's have a great 2014!

#