

Mayor
Jerramiah T. Healy



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6:00 PM

CITY HALL, COUNCIL CHAMBERS

280 GROVE STREET

JERSEY CITY, NEW JERSEY

Members of the City Council, Senators and Assemblymen, County Executive, Freeholders, reverend clergy, community leaders and members of the public, good evening. I think everyone in this room will agree that 2011 was a year like no other. In Jersey City, we felt the tremors of a 5.8 magnitude earthquake, were battered by Hurricane Irene, and sustained significant damage from a late October ice storm. But while we were faced with many challenges – those from Mother Nature and those from the current economic downturn – we have met each and every challenge and prevailed. I am proud to say that in Jersey City we have developed strategic operating plans, reacted quickly to emerging and emergency situations, and smartly used our resources to deliver solid government services.

You have heard me say before that our City had been cut more than \$70 million in state aid between direct funding to the city, direct funding to the Board of Education, and through the acquisition of Urban Enterprise Zone dollars by the State. This came at a time when revenue from other areas, such as development, was already down. But, unlike many other cities, Jersey City managed to produce a budget without a municipal tax increase. It wasn't easy, and it took a determined effort by our City leaders to execute a plan that reduced the operating costs of our municipal government without significant cuts in services. Next week, my administration will again present a budget to the City Council that does not raise taxes and that maintains the same level of robust city services.

Creating a leaner and more efficient government requires us to make tough and painful decisions. It's easy to pay lip service to being a "fiscal conservative" but it's an entirely different thing to have the fortitude to make the hard choices. It wasn't easy to ask our non-uniform employees to accept furloughs for more than one year and to ask our management employees to forgo any raise for more than three years, but we did so in the best interest of the taxpayer. It was the most difficult thing that I had to do in my tenure as mayor, but it was necessary to lay off nearly 100 civilian employees last year. While these city employees rendered valuable services, it is important to remember that public salaries are paid for with taxpayer dollars. Indeed, salaries and employee benefits are by far the largest share of any municipal budget.

Excluding grants, nearly 50 percent of the City's budget covers public safety costs – salaries, health care and pension benefits, and equipment for our police officers and

firefighters. While this is money well spent, it is no doubt a significant cost and one that grows annually due to contractual agreements. Let me be clear, the brave men and women of our police and fire departments deserve every penny for the dangerous work they do. Their work is absolutely the most important service provided by municipal government. That is why we did everything we could to avert public safety layoffs and Jersey City was one of the few cities in New Jersey that managed to do so.

Everyone needs to share in the sacrifice in order to achieve our goal of providing the best possible services to the residents while keeping taxes as low as possible. It is indisputable that civilian employees have disproportionately participated in the sacrifice up to now. As we move toward negotiations for new agreements with our uniformed and civilian employees, we will assiduously work to achieve all possible savings, while trying to negotiate fair contracts.

Jersey City has been a leader amongst the largest cities in New Jersey in reducing crime and creating sensible gun legislation. In fact, it was legislation crafted by this administration that became the model for a statewide “One Handgun a Month” bill that passed at the state level and was signed into law by Governor Corzine.

Jersey City has been a leader amongst the largest cities in New Jersey in attracting new business and in turn creating jobs for our residents. Last year, we saw corporations like Goya Foods, DeBragga & Spitler, and Fluitec amongst others announce plans to relocate to our city. Jersey City continues to be the economic engine of the state sending hundreds of millions of dollars in income tax revenue into the state coffers annually.

Jersey City has been a leader amongst the largest cities in New Jersey in fostering a green and sustainable City. Last year, Jersey City was awarded Silver Certification by Sustainable Jersey and is the largest municipality to hold such designation.

Jersey City has been a leader amongst the largest cities in New Jersey in creating new development – both commercial and residential. Last year, Jersey City approved

construction permits for new residential and non-residential development representing more than \$50 million in estimated construction costs.

And tonight, we are pleased to say, Jersey City is leading the charge in restructuring government so that the public we serve will know that their tax dollars are being spent in the most prudent of ways. Last year I said that “part of our mission as we move forward is to downsize not only to save tax dollars, but to make government run more efficiently.” In the past year, we have been developing a consolidation plan that will streamline services and move offices and functions within and across departments.

As the late Steve Jobs once said, “Innovation distinguishes between a leader and a follower.” While consolidation is not a unique concept, we believe that our proposal maximizes the amount and quality of services, while minimizing the cost to the taxpayer. It removes duplications and serves to identify the most logical structure for government.

Over the course of the next several weeks, our consolidation plans will be unveiled in full detail and I am confident they will be met with support by the City Council. It is our duty to bring relief to the taxpayers of this City and to show them that our mission is to serve them – not politics or personal agendas.

One component of this plan is the consolidation between the Department of Public Works and the Jersey City Incinerator Authority. It is time to take action on this long-discussed merger. Good arguments can be made for consolidating the JCIA into the DPW or for consolidating the DPW into the JCIA. I am willing to work with the City Council to accomplish the consolidation of these two agencies in the way that we believe is most beneficial to the taxpayers of Jersey City. Our plan calls for making this a priority this year.

Another component of our consolidation proposal contemplates the merger of the Police and Fire Departments into a Department of Public Safety. A civilian Director of Public Safety would oversee the administration of these two distinct operations, while the two chiefs would continue to run the day-to-day operations. Under our proposal, the Parking Authority would also be folded into this new Department of Public Safety, as there

is no reason that a distinct entity needs to exist to enforce parking regulations. The taxpayers should not fund all the attendant expenses associated with the existence of an independent authority.

Many of you have heard some people say that crime is on the increase in Jersey City, despite the crime statistics certified by the State Police and the FBI that prove the opposite, that in fact, crime continues to trend downward in Jersey City. Those individuals who fear monger for whatever reason are doing a great disservice not only to the City of Jersey City, but to its people and ultimately to themselves.

Since I took office in 2004, crime has dropped 33 percent. Last year, in 2011, crime was down four percent from the prior year, while homicides were down 25 percent. While we know we are making Jersey City one of the safest large cities in the state and perhaps the region, it does not mean we are finished. And we certainly empathize with anyone who has been a victim of a crime. We know that one crime is one too many, and while we can never completely eradicate all crime, we can continue with the same determination to reduce it even further. As former President Ronald Reagan said, "Facts are stubborn things." We must abide the facts for what they are, but not become complacent.

Last year, when almost every other large city in the state and the nation was forced to lay off police officers – and as a result saw crime spike – this administration went to great lengths to negotiate with our police unions to realize concessions without the loss of a single police officer. While we succeeded on that front, we have, however, lost a significant number of police officers due to retirements. And we are anticipating even more retirements this year. That is why we are working diligently to acquire state and federal funding to hire police officers, but should grant money fail to materialize, I am committed to finding the funds within our budget to hire more police officers. To address the loss of officers in the field, I have instructed Police Chief Thomas Comey to immediately look at ways to re-deploy additional uniformed officers in marked cars to the areas in greatest need to provide a more visible street presence. Over the next several weeks, at my direction, Chief Comey will conduct a staffing report to determine if the special units that

were formed several years ago when we were at a peak in regard to the number of officers is still viable or whether those units should be modified or disbanded.

However, our residents should know that Jersey City is one of the safest large cities in New Jersey, and according to Uniform Crime Report statistics, compared to other New Jersey cities with a population greater than 120,000 Jersey City had the largest crime decrease – down 29 percent – from 2004 to 2010.

During last year's State of the City address, I pledged to bring back the successful gun buyback/gun amnesty program known as Operation Lifesaver that my administration first held in 2005. Over the course of three weekends during the summer and one weekend in October, the Police Department recovered 310 firearms. Much of the success of this program was due to the cooperation and collaboration of the Interdenominational Ministerial Alliance, who opened up their places of worship as collection sites for this important initiative. Tonight, with us is Reverend Kevin Knight, Sr. of Heavenly Temple Church of God in Christ who I would like to personally acknowledge and thank as well as all of the other clergy who made this program possible.

In 2011, the brave men and women of the Jersey City Police Department responded to 171,921 calls for service, made 5,401 arrests and recovered 179 guns from the City streets.

Public safety will always be issue number one for our residents, as it is for us. In addition to the efforts of our Police Department, the Jersey City Department of Fire and Emergency Services responded to 23,309 alarms in 2011 with an average response time of four minutes, and provided mutual aid to surrounding municipalities, as needed.

In 2011, the Jersey City Fire Department applied for and received a grant from the U.S. Department of Homeland Security in the amount of \$8.2 million to hire 64 new firefighters. The hiring of these new firefighters has allowed the department to activate and staff two additional fire companies daily.

This year, we continued to mount opposition to the proposed Spectra Energy natural gas pipeline that would run for 6.5 miles beneath our densely populated city

streets. In October, more than 300 residents, business owners and elected officials came out in opposition to the pipeline at a meeting held by the Federal Energy Regulatory Commission (FERC) at Ferris High School. This was the second meeting that FERC has held on the pipeline, and it came on the heels of what we considered to be a shallow draft Environmental Impact Statement issued by the agency. We called on FERC to conduct a more independent and thorough analysis of the issues we raised – a request that thankfully was taken seriously. In fact, the ultimate date that a decision could be made on the pipeline was pushed back by FERC due to further agency review.

Our internal team continues to meet and work on measures to re-route the pipeline, including reaching out to our counterparts in New York City and seeking intervention from President Obama. Should FERC ultimately issue Spectra a certificate to build the pipeline, I have pledged to pursue every legal avenue to prevent such construction as it not only threatens the public safety of our residents and generations to come, but poses a serious impediment to the future economic development of our City.

Our new Public Safety Center on Bishop Street is another tangible example of our commitment to public safety. This building houses state-of-the-art technology, largely funded with grants, that enables our Police and Fire Departments to respond to emergency situations expeditiously and effectively. Moreover, our Public Safety Center is also the home of our CCTV operation, which helps us to both spot dangerous situations before a crime occurs and to successfully investigate and apprehend the perpetrators of crimes. CCTV cameras have been a great tool for law enforcement.

This administration tries to govern with a holistic view. While we pursue one goal, we do not do so at the expense of another legitimate interest, but, rather, we pursue governmental initiatives in a way that will help us achieve all of our other goals. The Public Safety Center is a perfect example of this.

Not only is this state-of-the-art facility a great tool for law enforcement, but it is also an example of Jersey City's commitment to sustainability. Indeed, this building received recognition in 2011 from the United States Green Buildings Council, which awarded the building its LEED silver certification. Simple components of this building have a substantial

positive impact on our environment, such as the building's green roof which reduces heat build-up and also reduces cooling costs, as well as the building's storm water filters that treat runoff to reduce pollution.

Sustainability and green issues have certainly become vogue and many politicians only give these issues superficial attention for political purposes. However, this administration takes environmental concerns seriously. There is no doubt that as a society we confront serious environmental problems from global warming on the worldwide level to un-remediated brownfields at the local level.

That is why last year I initiated the '365 Days of Green' campaign so that all of us in City government are focused on sustainability every day and are creating the means for our residents to live a more sustainable life. That is why I created a Green Committee by Executive Order to implement our Green Ordinances passed by the Municipal Council in 2009 to ensure that we are following through in the implementation of those laws. It's why we are designing our new Public Works facility with the goal of achieving LEED platinum certification, which will reduce the City's annual energy costs significantly. It's why we resurrected the Environmental Commission, so that members of the public can work with the City government to improve our environment. At this time, I'd like recognize Tom Gibbons, Chairman of the Environmental Commission, for the great work he and the entire board is doing on this important issue.

Our efforts to make Jersey City more sustainable were recognized last year by Sustainable Jersey, a certification program for municipalities that want to go green. Not only did we win the Collaboration Award for working with local groups on sustainability, but as I mentioned previously, the City received the Silver Level certification on our first attempt something that no other town has done. Additionally, Jersey City is the largest city to hold Silver Level certification.

Giving our citizens the opportunity to breathe air that is a little fresher and to be exposed to surroundings that are a little greener is another important part of this administration's commitment to the environment. Although flanked on either side by two large and wonderful parks – Liberty State Park to the east and Lincoln Park to the west –

we nevertheless saw the need to improve and create more parks in our neighborhoods, especially when the opportunity of reclaiming an abandoned site or a former brownfield presented us with such an opportunity. After 100 years without creating a new municipal park, there are currently six new parks in various stages of planning and construction within our city. Waste Management has completed the remediation of the former PJP Landfill, and we continue to pursue grants to compliment the more than 6 million dollars of grants that we have already received for this project to make these 32-acres on the Hackensack River a unique and special place to enjoy. In 2011, utilizing monies from the City's settlement of litigation with Pittsburgh Plate & Glass Industries, the Jersey City Redevelopment Agency was able to amass the final funds needed for the acquisition of all the land parcels required to create the Berry Lane Park in the heart of Bergen Lafayette. This 13-acre park will be a wonderful place where the youth of Ward F and the entire city will come to play sports or simply relax in beautiful green surroundings.

I am proud of our efforts in enhancing our existing parks and creating new ones, but much of the credit for our success in this area belongs to our citizen activists. The Jersey City Reservoir Preservation Alliance continues to do good work toward improving the natural oasis of the former reservoir up in the Heights and creating programs that enable our City's children to enjoy that beautiful place through tours and fishing competitions. Working together with the Embankment Preservation Coalition, this Administration is moving closer toward bringing to fruition long-held dreams of preserving the historic walls of the 6th Street Embankment and creating a world class elevated park even greater than its brother, the Highline, to the East in Manhattan.

Two years ago, my office became involved with the national Make A Difference Day initiative, working with local groups to offer volunteer opportunities throughout the City. This past fall, the Jersey City Parks Coalition asked the City to co-sponsor The Big Dig, which brought out more than 600 volunteers to plant tulip and daffodil bulbs in 75 locations throughout the City. This spring we will reap the rewards of this wonderful collaboration between citizens and local government, when we see gorgeous new flowers bloom, adding to the beauty of our City. I'd like to recognize three key players in this effort, Charlene Burke, Marc Wesson and Laura Skolar.

We continue to make progress in implementing our parks master plan by improving some of the beautiful old municipal parks of our City. Renovations to Hamilton Park downtown have received universal applause and great recognition. We are currently engaged in a similar renovation effort of the wonderful Bayside Park in Greenville, which offers majestic views of the Statute of Liberty and New York Harbor, again funded in part with monies we obtained as a result of our settlement with PPG.

Our utilization of affirmative litigation is another example of our attempts to improve our environment. In addition to the substantial monies that we have acquired for the park improvements I just referenced, our litigation with PPG also resulted in an agreement and a Court Order pursuant to which PPG agreed to clean-up the site of its former manufacturing plant on Garfield Avenue and many other chromium contamination sites in Jersey City. We have been working diligently with the Department of Environmental Protection and the Court Appointed Site Administrator to ensure that the remediation continues in a thorough and expeditious manner. In conjunction with the Site Administrator and the Citizens Advisory Board that I appointed, we are also working to keep the public abreast of progress being made on the clean up with regular public meetings and a newsletter prepared by the Site Administrator.

As the City Council heard at its last televised Caucus Meeting, substantial progress is being made by the public private partnership between Jersey City and the Honeywell Corporation on the remediation of chromium contamination on Route 440 and transformative new development of the 100-acre parcel that will be known as Bayfront. It was just over four years ago that the City settled the litigation that we brought against Honeywell and since that time our mutual goal of transforming our City's West Side has advanced significantly. Much of the remediation has been accomplished and the rest will be completed once we relocate the facilities of the Department of Public Works and the Jersey City Incinerator Authority. In the future, the site will be the location of up to 8,000 residential units, a million square feet of commercial and retail space and 20-acres of open space including the extension of the Hackensack Riverfront Walkway.

In everything we do our focus is on making life better for our residents – whether that is to make our environment cleaner, our streets safer, or to create more opportunities for recreation.

Recreation is an intricate part of the well being of our City on so many levels. For our children, team sports offer valuable life lessons – such as the constructive use of time and good sportsmanship. Fitness and healthy habits are critical tools for a generation of youth fighting the temptations of video games, internet surfing, and unhealthy eating habits. For our adult and senior residents, the recreation programs available offer many opportunities to stay active, healthy, and socially involved with fellow community members.

This year, I will appoint a representative of my office to work with the Health Department and the Recreation Department, as well as the Board of Education, to develop a youth fitness and health program to encourage an active lifestyle and healthy eating habits for our youngsters.

I am proud to say the initiatives we set for 2011, were not only met, but surpassed expectations in the area of recreation. Our successful co-ed NFL football program was expanded to additional locations in the city and an indoor youth soccer league was created for the winter months. We also received a \$148,000 federal grant to conduct water classes and learn to swim classes. As a result, in 2011 we taught 1,600 children to swim who may otherwise never have learned. This is not only a recreational skill, but also a life-safety skill. Many of those children learned to swim at the new, \$5.2 million Lafayette Pool & Aquatic Center on Johnston Avenue and Van Horne Street, adjacent to the Rev. Ercel Webb Park. Thousands of residents from all over our city enjoyed swimming in this new facility during the hot summer months last year.

The Special Needs Recreation Program participated in the New Jersey State Special Olympics competition, and we partnered with the U.S. Tennis Association to offer free tennis lessons to our youth at various park locations. We expanded and added to our programs and activities run at the Jersey City Armory and will continue to work with the State Department of Veterans and Military Affairs to continue offering programs at this site.

In 2012, we are committed to developing a boxing and fitness program and will continue to strengthen partnerships with city schools, the Boys and Girls Club, the Police Activity League, and local block associations. We will also pursue grant funding through Major League Baseball RBI Programs to provide a high school summer league for our youth.

As the country makes its way out of the Great Recession, we stand ready to harness the benefits of the economic recovery here in Jersey City. Businesses and developers know that this Administration is business friendly and we'll do what we can to help bring new enterprises to Jersey City. Whether it be a small business like the meat packer DeBragga & Spittler or a major corporation like Goya Foods, businesses are flocking to Jersey City.

In conjunction with the Christie Administration, we were happy to be able to persuade Goya Foods to pick Jersey City to construct its global headquarters. By selecting Jersey City, Goya will create over 150 construction jobs and bring close to 500 permanent jobs. Additionally, Goya will pay the city some \$1.3 million in annual payments in lieu of taxes that will be utilized to offset the burden of property taxes on our home owners.

In the latter part of 2010, we worked closely with Governor Christie's office and the New Jersey Department of Community Affairs to modify the Urban Transit Tax Hub Credit legislation to make it more practical for the large urban areas. As a result of these legislative changes, of the 15 projects that received tax credits from the New Jersey Economic Development Authority, four of them are in Jersey City – the Daily News, Goya, Columbus Towers and the Grand Street Project at the site of the Boys and Girls Club. The \$182 million of tax credits that were awarded will result in more than \$400 million of capital being invested in these developments.

In an effort to improve our quality of life, create more entertainment options, and provide tools for small businesses to succeed, my administration put forth three ordinances over the last several months to create a vibrant dining and entertainment culture in Jersey City. The first was the expansion of Restaurant Row, which we

announced last fall. I would like to recognize restaurateur Celeste Governati who owns Made With Love Organic Bakery on Jersey Avenue, one of the many restaurants now within Restaurant Row. It is small business owners like Celeste who are the backbone of our local economy, and I am committed to providing all the resources possible to help small-business owners thrive here.

The recent passage of our Entertainment Ordinance has substantially increased the number of venues that will be allowed to have live entertainment, while also establishing assurances that neighbors in the community will not have their peace disturbed. Our Planning Division will be working to develop much of the area along Newark Avenue, with the vision for even more restaurants and entertainment venues in the future. Amendments last year to our Sidewalk Café Ordinance will extend the months of the year that restaurants can set up sidewalk cafes, which create a lively street scene and add to the quality of life for our residents and to a thriving community and bustling commercial area.

These achievements were lauded in the *Wall Street Journal* just today, the second time our City has been profiled in the last two weeks in what is one of the most-widely read and highly-respected daily newspapers in the nation.

Last year we also cut the ribbon on several new small businesses in the Hamilton Park area, where 15 new retailers have opened shop employing 180 individuals. This former hospital complex is now a bustling community with shops and services for the residents who live there as well as the entire city. We look forward to the continued development of this site.

To also improve the quality of life for our residents, the administration filled 9,200 potholes and completed a number of street paving and streetscape projects last year including the paving of Christopher Columbus Drive.

For the first time ever, the City also published the 40 worst abandoned properties last year, putting on the public record the names of these property owners to place pressure on them to improve their properties which are currently a blight to their respective neighborhoods. We want these property owners to know that we are serious

about holding them accountable, and if they continue to allow their properties to be an eyesore for the community, we will utilize the means available to us to remediate those properties at the cost of the owner.

The good work that has been done by the Jersey City Economic Development Corporation through the Urban Enterprise Zone program to attract new business and support our local small businesses has been met with significant challenges recently due to the cuts by the State to the UEZ program. The \$14 million that our UEZ collected annually and used to operate programs such as street cleaning, CCTV and job-training services, has been seized by the State. However, we are continuing the hard fight in Trenton with our legislative leaders to bring back the funding to the UEZ program. There is a bill pending in the legislature which is a compromise that we are hoping to get passed. If this legislation is passed, half of the UEZ funding would be restored, allowing much-needed services to continue in our communities.

As the *New York Times* recently reported, the real estate market in Jersey City is on fire once again. Whether it be the Manhattan Building Company constructing a 20-story residential project near the Holland tunnel, Fields Development building a 131 unit luxury building in Paulus Hook, Mack-Cali and Ironside Development building 500 new units at Harborside, Hartz Mountain looking to build two new residential towers at 99 Hudson St., or the LeFrak Organization constructing its 16th building in Newport, Jersey City is absolutely the beacon of hope for New Jersey's economic recovery.

The developments that I just referenced are a great thing for this city, this state and this country. These developments represent a productive use of parcels of land that are currently vacant. In addition to the aesthetic improvement that these new buildings will represent for our city, they will even more importantly create hundreds of construction jobs and many permanent jobs as well.

Arguably the most exciting development project in Jersey City this past year has come at McGinley Square. The City Council passed a redevelopment plan that sets forth the

blueprint for an ambitious revitalization at this location in the heart of Jersey City. Construction is underway on St. Peters College's new student center, which will bring foot traffic to the area and help stimulate the growth of new retail establishments in McGinley Square. We expect to see substantial progress in making the revitalization of McGinley Square a reality in 2012.

Last year I also told you that I had directed each department to develop a three year strategic plan of goals regarding services and fee structures. That comprehensive three year plan is in the final stages and we anticipate releasing it in the next several weeks. The major highlights are that the plan establishes three primary goals for the City, on which all objectives are focused. Those goals are: A Stable Tax Rate and an Effective and Efficient Government, A Safe and Livable Community, and A Sustainable Community. We believe that the City Council and community at large will embrace this three year plan, as we continue with our vision for making Jersey City greater.

Jersey City is a leader in the State of New Jersey on nearly every front, whether it be in public safety, economic development, sustainability, the arts, or entertainment. As outlined here tonight, the state of Jersey City is strong and getting even stronger. Jersey City continues to be recognized as the world class city it is and as a model for development, revitalization, and prosperity. Together, over the next several years, we will continue to make this city an even more exciting place to live, work, visit and do business. As the great explorer Christopher Columbus said, "By prevailing over all obstacles and distractions, one may unfailingly arrive at his chosen goal or destination." I am pleased to say that we here in Jersey City are well on the way to a great destiny.