



2010
State
OF THE
CITY
REPORT

Celebrating the Future. Putting Children First.

Presented by Mayor Robert J. Duffy
Rochester, New York

Memorial Art Gallery, University of Rochester
Monday, May 3, 2010



May 3, 2010

Thank you for attending the 2010 State of the City Address. Your presence here tonight shows how much you care for our great city. I share your love for Rochester and I am honored to serve you. There are many successes to be proud of, but we must rise up to the many challenges that remain.

My agenda remains the same today as it was when I first took office in January of 2006. We will continue ambitious and aggressive efforts to revitalize this city through improvements in public safety, education and economic development and we will continue to provide world-class customer service.

While we celebrate our successes, we must be ever-mindful that we are in a marathon and not a sprint. Crime reached a 25-year low in Rochester last year, yet the problem of violence remains significant. Midtown Rising and other exciting developments are tipping Downtown in the right direction, but much remains to be done to bring it back to its glory days. Our tax base has grown since I took office, yet we are still having difficulty revitalizing our troubled neighborhoods and attracting young families.

That is why reforming public education and our schools is so critical and so urgent. All of our efforts toward progress are erased the instant a high school dropout commits a crime and perpetuates the image that Rochester isn't a safe place to raise a family or grow a business. We must do everything in our power to reverse the decades of poor performance and negative stigma associated with City schools.

I pledge to you that I will not accept the status quo and will do everything in my power to bring real change to Rochester's schools so that our children have a promising future. We need reasons to celebrate the future and I can think of no greater cause than the reform of our schools.

I would like to take this opportunity to thank the men and women who work in the City of Rochester every day to make it a better place for all of us. I would also like to honor our citizens, who remain dedicated to our city and have such enormous pride and spirit in Rochester. I am forever grateful to you all.

Sincerely,

Robert J. Duffy
Mayor, City of Rochester, New York

“In the fight against crime, I am pleased to tell you this: Crime in the city of Rochester reached a 25-year low during 2009.”

— Mayor Robert J. Duffy, 2010 State of the City Address

Public Safety Results: The First Four Years



- **In 2009, crime in the city reached a 25-year low.** Violent crime fell 13 percent from the year before and all major crimes were 20 percent lower than 2005.
- **Homicides last year were the lowest** in a decade, at 28. Although no amount is satisfactory – we will continue working to drive these numbers even lower.
- **We continue to expand our police force**, thereby increasing police presence in our neighborhoods. We have hired 64 officers since the beginning of 2009 and we have reduced administrative jobs to put more officers on the streets.
- We have **streamlined the process for recruiting and training new officers** – from an average of two years down to seven months.
- We have **expanded the City’s Security Division Staff** and increased their responsibilities to include monitoring surveillance cameras in the mobile Crime Prevention Units.
- We have **invested in technology to help our police succeed**, by installing 101 high-tech surveillance cameras in high crime areas to extend the eyes of the police. We are effectively using ShotSpotter to respond quickly to violent crime and to track down illegal handguns.
- Since 2006, the Rochester Fire Department (RFD) has installed **6,111 smoke alarms** in city homes. In 2009, they installed **771 carbon monoxide detectors**.
- **Arson arrests skyrocketed** for the RFD in 2009. They ended the year with a total of 99, a 136 percent increase over the previous year.
- **Our 911 Call Center** continues to play a key role in improving public safety for our citizens. We have made many infrastructure upgrades this year to the 911 building to continue to provide quality customer service.
- **Our Office of Public Integrity** helps to ensure public confidence by investigating fraud, corruption, abuse and ethical violations. Since its inception, the Office has conducted 106 criminal investigations resulting in 15 arrests. It has initiated 83 audits and has responded to 525 inquiries. The Office also provides ethics education for new and current employees, serves as a resource to guide ethical decisions and has developed a risk assessment tool to guide audit prioritization.



“City government lives the motto that Danny Wegman has used to lead his great company: FOCUS and FINISH.”

— Mayor Robert J. Duffy, 2010 State of the City Address

Economic Development: The First Four Years



- In the last four years, we have spent \$37.8 million in City funding to leverage \$1.04 billion in private investment in the city.
- Our economic development team has helped attract or retain companies that together represent 35,752 jobs.
- We completed the consolidation of three former departments into one Neighborhood and Business Development (NBD) office. The office runs four outreach locations, one in each city quadrant. These are one-stop shops for many neighborhood needs. They allow us to deliver services more efficiently, reducing costs to taxpayers by more than \$1 million each year.
- We are continuing our **Focused Investment Strategy (FIS)** to target the City’s resources in a concentrated fashion. We are focusing on four neighborhoods where residents and private investors are working together on turnaround plans.



- Marketview Heights in northeast Rochester
- Jefferson Avenue in the southwest quadrant
- The Beechwood neighborhood in the southeast
- And the Dewey–Driving Park area in the northwest

- In every one of these neighborhoods our investments are **paying off** with new green space, improved infrastructure and private development. To date,

we have appropriated \$3.7 million for our focused investment strategy and have leveraged \$5.2 million from other stakeholders and the private sector to support these improvement efforts.

- Our team is close to finalizing the sale of more than 7,100 acres of the pristine **Hemlock and Canadice Lakes** watersheds to the State Department of Environmental Conservation. The area will remain forever wild and the City’s primary sources of drinking water will be environmentally protected. The cash we receive will help fund exciting waterfront development at the Port of Rochester.
- The **Midtown Rising Project** is booming. Each day more than 200 construction workers are involved with asbestos removal at the site.



ESL Headquarters



Genesee Brewery



Xerox



Jefferson Avenue

- The **ESL Federal Credit Union headquarters** is complete. It is one of our area's largest financial institutions. More than 300 ESL employees now call downtown their home.
- **Xerox** relocated 300 workers to its downtown tower and **JP Morgan Chase** added 250 mortgage service jobs to its downtown offices.
- **North American Breweries** has added a third shift and 50 more employees at their St. Paul Street site – building on the deal from last year that saved 375 jobs.
- **Spinergy**, which manufactures digital media, relocated to the Canalside Business Center on Lyell Avenue bringing 47 jobs to the city.
- **Upstate Niagara Cooperative** received help from the City to expand its milk processing facility and thereby retain 150 jobs.
- **Stantec** is far along with its renovations to the old Trolley Barn in High Falls and will be moving its local headquarters and 130 jobs downtown later this fall.
- **CGI/Fifth Year Productions** continues its tremendous growth having now acquired 10 floors of the Granite Building on East Main Street. CGI employs more than 200 workers and Fifth Year Productions expects to create an additional 200 jobs.
- **Nothnagle Realtors** is rehabilitating a historic structure on West Main St. and will be relocating its headquarters to downtown, bringing 75 jobs.
- **FRA Engineering and Architecture** moved their operation's 70 jobs to the Corporate Place Building on East Avenue. The professional consulting firm provides full-service engineering and architectural services to clients throughout the U.S.
- If ribbon cuttings are an indicator of positive growth then **Rochester is booming** despite the Great Recession. Last year we had more than 30 ribbon cuttings celebrating openings and expansions of businesses both large and small.
- The **Erie Harbor Project** is well underway with work having been completed on the Hamilton Apartments, preserving 202 units of affordable housing. Work has begun on 130 market-rate housing units located adjacent to it and the Genesee River.
- The **Mills at High Falls** has been completed, bringing 67 rental units to this historic district. This was a joint effort spearheaded by the Urban League, with assistance from New York State, the City and Eastman Kodak.
- Work is well underway at **South and Hickory Place** in the center of the South Wedge neighborhood. The project was initiated by the South Wedge Planning Committee and will bring 33 apartments and more commercial space to the area.
- **Rochester Economy Makes National News** – CNNMoney.com and Business Week gave positive reports on the Rochester economy. Business Week reported home prices in Rochester and other high-performing cities “remained steady through boom and bust.” CNNMoney.com also gave Rochester's housing market high marks: “Rochester home prices never bubbled during the boom, but they have enjoyed slow, steady growth during the bust.”
- For the second consecutive quarter, the Brookings Institution has ranked **the Rochester economy among the nation's top-20 strongest performing metro areas**. The Brookings Institution's new MetroMonitor determined that Rochester is among the metropolitan areas that have been least affected by the recession and are experiencing the fastest recovery.
- The City launched an aggressive effort to secure **more than \$30 million in funding under the American Recovery and Reinvestment Act (ARRA)** creating hundreds of direct and indirect jobs for Rochester workers.
- The **Jefferson Avenue Revitalization Project** is underway. The first phase provides for streetscape improvements. Congresswoman Slaughter and the City are providing \$2.3 million to resurface the street, replace sections of deteriorated curbing, replace hazardous sidewalks and install decorative lighting and sidewalks.

“During the worst economic downturn in 80 years, we are making hard choices and improving efficiency to maintain services with fewer resources.”

— Mayor Robert J. Duffy, 2010 State of the City Address

Customer Service: The First Four Years



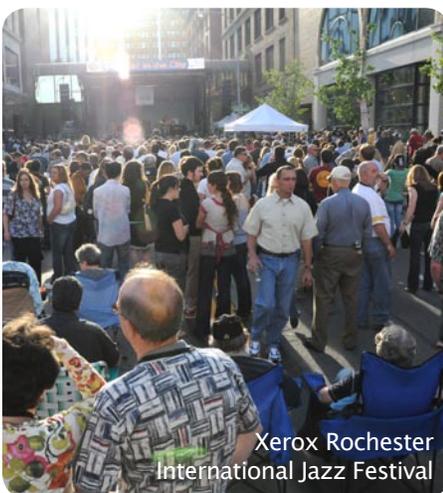
- In our current fiscal year, we closed a gap of \$34 million and **cut spending by \$29 million** below 2008–09, without reducing services.
- Over the past four years we have **lowered the tax rate** on homeowners by 6.6 percent and lowered the rate for businesses by 6.9 percent.
- We have **reduced the full-time workforce** by 144 positions, while increasing the police force by 36 sworn officers to meet public safety needs.
- Through efficiencies we have **saved more than \$24.1 million annually**, while maintaining or improving City services.
- Rochester maintains **the highest bond rating of any major city in New York State**. In its most recent reports Standard & Poor's assigned the City an "A" classification and Moody's rated us at "A2."
- Last year, we unveiled our **new City Web site** to enable citizens to better interact with government. Today that site is up and running receiving an average of 12,000 page views per day.
- Our **citizens can now go online** to pay water bills, apply for permits and take advantage of other City services.
- **311 – One Call to City Hall** has made it easier for Rochester residents and visitors to get services delivered and questions answered. We are using some of the most advanced call system software in the nation. It is increasing our efficiency in tracking and responding to calls. Last year, we logged more than 400,000 calls to 311 operators.
- We have **consolidated all the City's parking lots, garages and enforcement efforts** which had previously been spread across six different departments. The result has been increased revenue while spending less money to manage these vital services.
- We have **upgraded IT systems** to make our internal operations more efficient.
- **Rochester's Clean Sweep** is underway again this year. During its first four years, more than 19,000 people from the Greater Rochester area have volunteered their time to clean up and beautify our city.
- **Operation Cool Sweep** will kick off again in early summer. It continues to be extremely popular. City Recreation and Environmental Services Departments open hydrants in neighborhoods to cool children and provide relief to residents with limited access to swimming facilities.



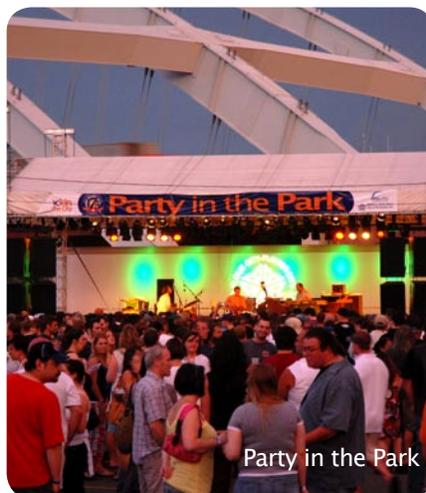


Flower City Challenge

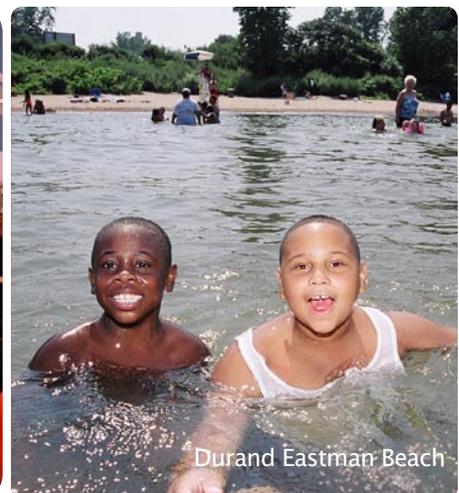
- **RBN – Rochester By the Numbers** is fully implemented. It includes a management review process that holds every department accountable to meet quantifiable goals and to report on their strategic action plans.
- We have successfully brought safe public swimming back to **Durand Eastman Beach**. Last year, more than 60,000 individuals enjoyed this magnificent resource.
- We celebrated **Rochester’s 175th Anniversary** with a yearlong slate of activities and events honoring our rich history. Launched on New Year’s Eve 2008 with the Big Wish Campaign and Globe Lighting Ceremony, the celebration continued with family activities, concerts, festivals and parades. Highlights included the July 4 Celebration, Coming Home community promotion, and the Veterans Day RPO Concert. It concluded on New Year’s Eve 2009 with the Big Wish drawing and Globe Lighting Ceremony.
- We produced and supported 45 special events in 2009, which drew a total attendance of more than **400,000** and produced an economic impact of more than **\$12 million**.
- Last year, the **Xerox Rochester International Jazz Festival** attendance was more than **133,000**. The **175th MusicFest** drew more than **7,500** for a free, two-day celebration in Brown Square Park and **Party in the Park** broke all records with attendance of **48,000** for the series.
- We launched the **Unity Health Systems Rochester Flower City Challenge** which drew more than 2,200 participants and more than 4,000 spectators for a weekend of running, biking, and paddling events. This event far surpassed its first-year goal and is well on its way to becoming the biggest running event in the area.



Xerox Rochester International Jazz Festival



Party in the Park



Durand Eastman Beach

“Our work to improve public safety and strengthen the economy will eventually fail unless we do more to improve education and do it now. The future of our city depends on its children and our children deserve better schools and opportunities, which means that our community must **demand** changes.”

— Mayor Robert J. Duffy, 2010 State of the City Address

School Governance Reform: Going Forward



No one can suggest that Rochester’s City schools are doing well—or that things will get better if we just wait. We’ve endured poor results for decades. It’s happening before our eyes and too many adults are standing by and saying that nothing can be done. We’ve had plenty of studies and recommendations. What we haven’t seen is **real change** in the way the district operates.

Something can and must be done. More than half of our city’s children are being allowed to fail and we must make major changes in our schools to help them. This is the single-most important issue facing this community and we must not back down against those who are clinging to the status quo.

More than 70 percent of the total tax revenue collected in Rochester – \$119 million – is for our schools. The return we are receiving on this investment of \$18,000 – \$20,000 per student is deplorable and not acceptable. We cannot continue pouring money into a system that is not working without taking urgent action.

We need families to live here and businesses to locate here. Our future is dependent on the growth of our tax base. I am tired of hearing people say they love the amenities of city living, but cannot consider sending their children to City schools. How can we argue with them? It is time to do something about it and try something different.





I am supporting a five-year trial period where the Superintendent reports to the Mayor with City Council providing oversight. I would be held accountable to make sure that the job gets done and that school finances are managed responsibly. Earlier this year, the New York State Comptroller reported serious lapses in the oversight of the school budget, salaries and bonuses among other shortcomings. This should not be tolerated.

City Hall and the school district perform many common activities that present significant opportunities for consolidation and streamlining. Administrative functions that take place outside the classroom such as law, purchasing, finance, maintenance and others could be integrated with City operations to deliver them more efficiently and direct more resources to the students and teachers in the classroom.

Reform of the school system has naturally brought a firestorm of opposition and a flood of misinformation largely driven by people who benefit from the current system. Those opposed to mayoral accountability say that I am not an educational expert and that is absolutely true—just like I am not an expert in municipal finance or law or environmental services.

It is my job to find the right leaders in each area and provide them with the necessary resources, money and support to make good decisions.

The nature of my role as elected Mayor would place more public and media attention on the performance of our schools and thus more pressure to succeed. The school board spreads accountability across seven people and therefore no one is accountable. Mayoral accountability gives you one person to judge and I am happy to accept that responsibility, knowing full well that voters can show me the door if I don't get the job done.

Too many adults are benefiting from a school system that is failing our children. We need to make changes now. These changes are not a silver bullet that will solve every problem, but I believe it is a better option than the

current system, and I pledge to do everything in my power to make it work for our children.

Some of our proposed changes are detailed in reports located at www.cityofrochester.gov/schoolgovernance. Here are some highlights of how things would change under mayoral accountability:

- Children, not adults, will be the first priority
- No reduction in funding to schools
- Resources saved from consolidations directed to the classroom
- No broken labor contracts or teacher layoffs if we define the school day more creatively
- Guaranteed school choice and transportation to true neighborhood schools
- Accessible school buildings after hours with the best after-school programs
- Safer schools for children and teachers
- Safer passage between home and school
- Effective anti-truancy programs
- Improved financial oversight
- Textbooks for every child to take home
- Comprehensive college readiness programs
- Partnerships with organized labor for vocational and skilled-trade options



“We can never be satisfied until Rochester’s crime rate is zero.”

— Mayor Robert J. Duffy, 2010 State of the City Address

Public Safety: Going Forward



- Using internal personnel and the Monroe Crime Analysis Center, **we will use ongoing methods to analyze criminal activity** to develop immediate and long-term strategies and tactics to reduce serious crimes.
- We will **examine correlations** between arson and crime hotspots to target enforcement.
- We will be installing **up to 25 red light cameras** next year at high-risk intersections to deter reckless driving.
- We will add **40 more video surveillance cameras** to our current system and work with neighborhood leaders on their placement in the community.
- We will **graduate 22 newly-sworn police officers** from the Police Academy for assignment in our neighborhoods.
- We are currently **conducting a feasibility study** of applying enhanced board-up techniques on vacant buildings in order to deter crime, fire and blighting activity surrounding vacant structures. We will report on this once it is completed.
- We will **implement a central software system** that will allow all public safety computer systems in Monroe County and the City to access information for the improvement of public safety. It will provide “one-stop shopping” for vital public safety information.
- We will continue **RFD’s aggressive educational outreach**, as well as smoke alarm and carbon monoxide detector distribution.

“We are embarking on a journey of transformational change – literally rebuilding major parts of downtown on a scale not seen here in 50 years.”

— Mayor Robert J. Duffy, 2010 State of the City Address

Economic Development: Going Forward

- The demolition contract for the **Midtown Rising Project** will be awarded this month making way for a transformation of the 8.4 acres on this vital Center City site.
- **PAETEC** is fully committed to locating its world headquarters on the Midtown site and will be the first new tenant at Midtown.
- **Christa Development and Morgan Management** are moving ahead with their plans to renovate the Midtown Tower into a residential and commercial complex with 24 owner-occupied condominiums and nearly 200 rental units.
- The **Eastman Business Park Project** includes the redevelopment of the former Kodak Park as a way to provide economic development opportunities for either new construction or the re-occupation of existing buildings on the 72-acre site.
- We will continue to work with RGRTA to locate a **new enclosed transit center** on Mortimer Street. It is vital to the revitalization of downtown to get the buses off Main Street.



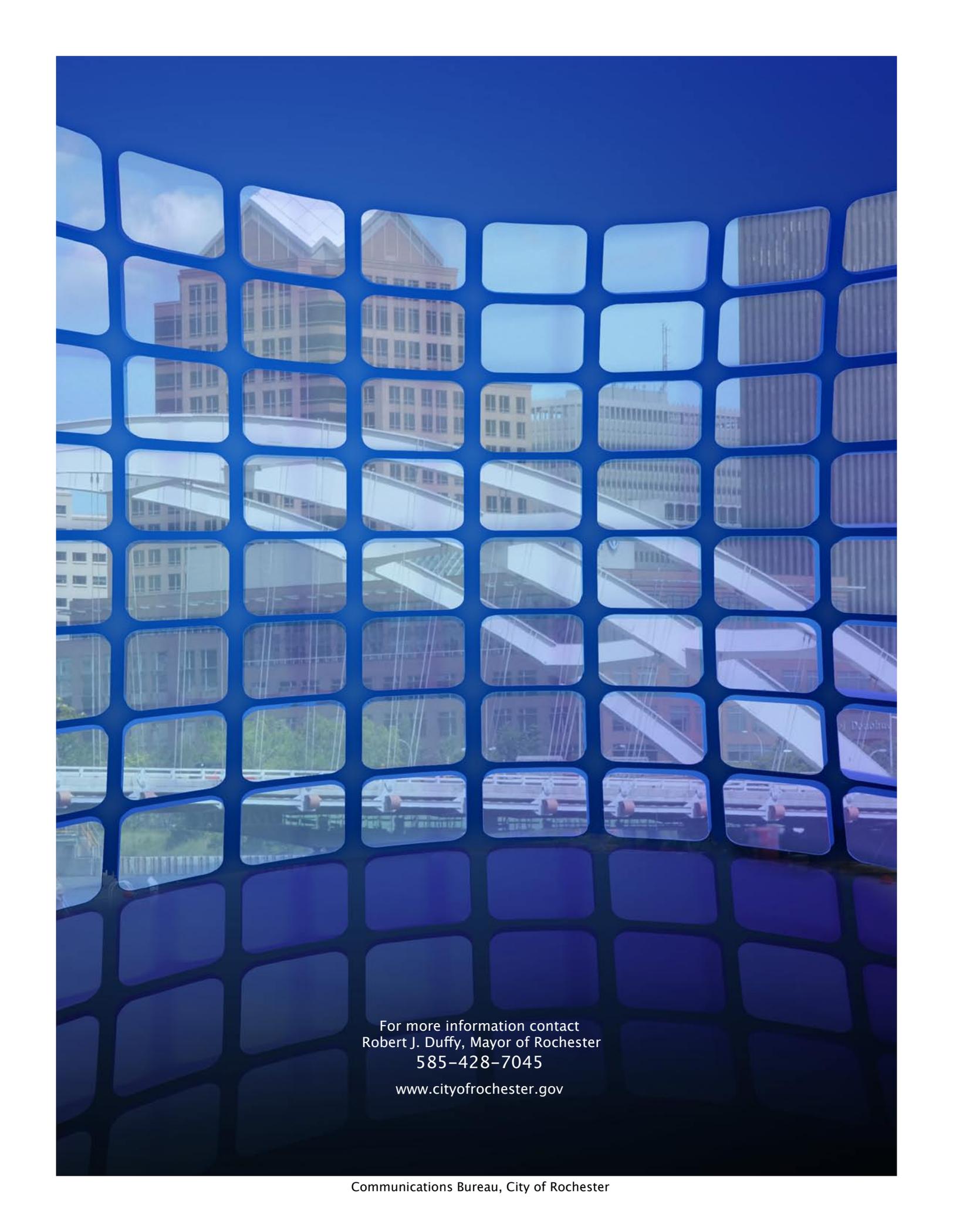
- We will continue to work with President Anne Kress and the MCC Board to locate a **new Monroe Community College campus** in the Center City.
- We will continue to implement our **Focused Investment Strategy** to make dramatic improvements in targeted neighborhoods to improve housing market vitality, reduce code violations, decrease transiency and increase assessed valuations.
- We have begun the visioning process to redevelop **Bulls Head Plaza** and will be providing funding for potential land acquisition at the site.
- We will continue our aggressive **Census marketing campaign** to ensure that every Rochesterian is counted. Rochester depends on an accurate count to secure funding for hospitals, job training centers, schools, senior centers, public works projects and emergency services.
- We will continue our aggressive **demolition program** of vacant blighted buildings. Another 208 City-owned properties are currently in the queue and 84 of those have undergone asbestos abatement.
- There are 2,700 apartments and condominiums in downtown, with more than 4,000 residents. More than **600 new units are in the pipeline** that will bring 1,000 more residents downtown.
- We are working diligently to facilitate the sale and renovation of the **Sibley Building** for a mixed-use development to include a significant residential component.
- We are taking aggressive steps to complete Phase I of the **Port Redevelopment Plan** by April 2011. The plan calls for an initial 75-slot marina and public promenade, along with residential and commercial development.

“The essential question to address is whether the city is a good steward of tax dollars. Are we managing finances well and using our resources efficiently to get the job done?”

— Mayor Robert J. Duffy, 2010 State of the City Address

Customer Service: Going Forward

- We will continue to maximize the City’s competitive position in financial markets to maintain Rochester’s **bond rating** as the highest of any major city in New York State.
- We will continue our successful cross-departmental efforts to **reduce foreclosure rates** to help keep our homeowners in their homes.
- We will continually **measure customer satisfaction** and will use Voice of the Customer data to guide City projects and programs.
- We will continue the **consolidation of parking services** and relocate all personnel to one location at 42 South Avenue. We will develop a master service contract and issue RFPs for needed services to ensure the wisest use of our revenues.
- We will continue to **re-engineer into one system all City finance processes** including accounting, purchasing, budget control and paperless payroll, providing improved transaction processing efficiencies and better customer service.
- We will **revamp the City’s Human Resources system** by 2012 to streamline the hiring process and improve personnel records management. This will provide better customer service to our employees, as well as help to ensure that we hire the best candidates possible to fill City jobs.
- We will implement customer-friendly enhancements to the **City’s Web site** including commercial real estate interactive mapping, improved online transactions and increased use of multimedia such as photo galleries and video streaming.
- We will provide funding this year to partner with the Roc City Citizens Planning Group to plan for a **skateboard park** to be possibly located under the Susan B. Anthony/Frederick Douglass Memorial Bridge.
- We will continue our support for the wildly successful **Xerox Rochester International Jazz Festival** which kicks off next month. We will expand **MusicFest** to a five-day event in August and we will be the host city for the first **Tour de New York**, a five-day international series of competitive cycling events.



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