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FOR IMMEDIATE RELEASE

Lackawanna City Council Approves \$29.6 Million Budget for 2021-22
Spending Plan Will Reduce City Tax Rate by Nearly 2.5 %

LACKAWANNA, N.Y. (Friday, May 21, 2021) – The Lackawanna City Council has unanimously approved Mayor Annette Iafallo's \$29.6 million budget for the 2021-22 fiscal year, which begins August 1. The new budget calls for a unified city tax rate of \$16.75 per thousand for all properties, a decrease of \$0.40 per thousand, nearly 2.5%, from the prior year.

This marks the second consecutive year Lackawanna property owners will see a decrease in the city tax rate, a process started in 2020 when the City Council backed Mayor Iafallo's bold plan to revamp the city's long-standing homestead/non-homestead tax structure in favor of a more competitive unified tax rate designed to re-invigorate Lackawanna's economy - which had been in a downward spiral since the former Bethlehem Steel, Lackawanna's largest taxpayer for nearly 80 years, closed its plant operations in the mid-1980's.

Lackawanna's new fiscal spending plan includes funding to improve the delivery of essential city services to include; new vehicles, upgraded facilities and enhanced training for police, new firefighter equipment and a new public works dump truck. It also accounts for the resolution of two prolonged labor negotiations with police and public works unions and anticipates the successful resolution of a third with the fire department union.

"I want to thank the City Council for their continued support of efforts to restore economic vibrancy to Lackawanna," said Mayor Iafallo. "I'm proud of the fact that despite many challenges related to the Covid-19 pandemic, we delivered a budget that helps our public safety and other front-line employees provide essential city services while gradually delivering on my administration's promise of tax relief for property owners."

Since early 2020, Lackawanna has seen an increase in development activity, with \$74.5 million in new projects underway or near completion. Of this total, over \$72 million relates to partnerships with New York State, Erie County and the Erie County Industrial Development Agency to remediate and redevelop 244 acres of land on the former steel plant site; the highest level of private development made on this site since Bethlehem closed.

"It will take time to rebuild our business base, but we're definitely moving in the right direction," said Mayor Iafallo. "As these ongoing development projects begin generating incrementally higher tax revenues, we anticipate more tax benefits for Lackawanna property owners in the coming years. And we're working to add more projects to this pipeline".

The City of Lackawanna was recently awarded a \$300,000 Brownfield Assessment and Cleanup Grant from the US Environmental Protection Agency (EPA) which will be used to prepare several one-time industrial properties along the eastern end of Route 5 and on Ridge Road for re-development. Site assessment work on these properties is scheduled to begin later this year and continue into 2022.

ABOUT THE CITY OF LACKAWANNA: Lackawanna is a culturally diverse city of nearly 18,000 located on the shores of Lake Erie, just south of the City of Buffalo. Lackawanna offers attractive economic development options for new and expanding businesses, including those associated with state and county partnership efforts to redevelop the former Bethlehem Steel site as a commerce park for clean manufacturing and distribution, as well as city-owned and private land parcels – all conveniently located near well-established and accessible NYS Thruway, rail and port infrastructures. Lackawanna is home to Our Lady of Victory Basilica, a national shrine, which is within walking distance of the Buffalo and Erie County Botanical Gardens and Olmstead-designed South Park. For more information visit www.lackawannany.gov.