



State of the City - Mayor Annette Iafallo March 18, 2024

Dear Lackawanna Community,

It is my honor to provide you with **Lackawanna's State of the City**.

In 2023, we continued executing our plan for rebuilding Lackawanna's economy, tax base, employment opportunities and sense of community. While not perfect, we accomplished a great deal last year despite some challenges.

I'd like to highlight these efforts, starting with **development**:

Our professional marketing program continued to generate solid returns, attracting four new private projects, including three on city-owned property:

- North Fisher Properties – will build a mixed commercial and residential project at 2019 Abbott Road in the Fourth Ward,
- Empire Building Diagnostics – is expanding their 400 Ingham Avenue campus in the First Ward with a new complex on nearby Alliance Drive,
- IT Fitz Concrete – is constructing a new office and warehouse complex, also on Alliance Drive and,
- KBP Brands – will redevelop a zombie gas station at 1316 Abbott Road in the Third Ward into a full service Taco Bell restaurant with drive thru.

Construction for these projects is expected to start sometime this year.

Due to the many new development projects we have in progress or completed since 2020, the *city's finances* are improving and producing benefits for Lackawanna taxpayers as reflected in work performed by the **Comptroller, Treasurer and Assessor**:

Since the city's fiscal year begins on August 1st, the following information covers two time periods.

For the fourth straight year, we delivered tax relief and stability for property owners by maintaining the unified city tax rate at \$16.75 per thousand and garbage fee at \$254 dollars per unit. This was partially achieved by using \$1.65 million dollars of fund balance and \$739 thousand dollars of American Rescue Plan money in the current budget effective August 1, 2023.

In addition, our bond rating was maintained at A1 as of July 31, 2023, which is considered a stable rating by Moody's within a range of AAA through C.

During the 2022-23 fiscal year, nearly \$4.8 million dollars of fund balance was used to deliver benefits for taxpayers and the community at large, including:

- \$3.2 million dollars to start or complete nearly a dozen Public Works, Public Safety and Recreation projects– including Center Street reconstruction and initial construction of a new splash park at Franklin Playground in the Second Ward, which WILL open this summer!
- \$1.65 million dollars to maintain the unified tax rate and meet financial obligations.

After these allocations, the city's Unassigned Fund Balance is still approximately \$13 million dollars as of July 31st, 2023. This fiscal year, we expect grant reimbursements for various capital projects and reimbursement from FEMA for 2022 blizzard costs.

In addition, over \$28.7 million dollars in combined city, school and county taxes were collected, plus over \$805 thousand dollars in delinquent taxes. We also processed Star, Enhanced Star and Veterans exemptions for property owners, while continuing to fairly value properties based on current market conditions.

To that end, the city received only one residential assessment challenge this past year.

Moving to **Public Safety**, 2023 was another busy year – one made even more challenging by a second consecutive winter of record-setting snowfall.

- Our Fire Department responded to 3,394 calls, of which 2,499 were EMT-related along with 51 fires and 472 false alarms - the vast majority of which were unintended. Fire Inspectors also performed numerous residential and commercial building inspections. Six new firefighters were hired and three retired.
- And our Police Department responded to nearly 22,000 service calls. Officers made 842 arrests, and issued 6,030 traffic summonses along with 2,151 parking tickets. The department hired seven new officers and had one retire.

My heartfelt thanks to every firefighter and police officer for the bravery and professionalism they exhibit every day – and especially during this year's blizzard. Lackawanna is thankful for all you do!

- In addition, Animal Control worked with the City Clerk to register or renew 400 dog licenses and various agencies to relocate feral cats. This year, the Animal Control position was split into two part-time positions under the same budgeted salary - providing greater coverage at no additional cost.

Through the **Law Department**, the city's collective bargaining agreement with the Public Works union was extended through July, 2025; providing fair wages and benefits for these employees who provide valued services throughout our city.

The Law Department continued to play a key role in the city's development efforts through contract negotiations, land sale closings and legal guidance on zoning, planning and code enforcement matters.

They also represent Lackawanna's interests in a national and statewide opioid sharing agreement, where any funds received would be used to fight opioid addiction in our community.

For the second consecutive year, our **Public Works Department** performed excellent work during the city's battle with record setting snowfall. Lackawanna was once again 'the eye of the storm,' with six-to-seven feet of snow falling in a short time period.

DPW crews worked tirelessly to plow roads under very dangerous conditions, while also maintaining trash pickup and guiding contractors assisting with snow removal.

My sincere thanks to each DPW crew member who went above and beyond during this storm. We're truly grateful for all you do!

The DPW also completed the city's largest road construction project in over two decades - the over \$4 million dollar Center Street reconstruction in partnership with Erie County Water and Sewer Authorities. This was a highly complex and difficult project, which the DPW got done on time and within budget.

And even better, they leveraged the Center Street project to complete infrastructure and early construction work for the new splash park at nearby Franklin Playground.

The city's **Purchasing Department** continued to lead the city's efforts to secure FEMA and other reimbursements for blizzard-related costs.

In addition, Purchasing lowered the city's electricity and natural gas costs through competitive bidding, while also cost-effectively delivering numerous vehicle, equipment and service upgrades for Public Works, Fire and Police. They also delivered new Recreation investments including play equipment and construction services for the new splash park at Franklin Playground, refurbishment of the hockey park at Bethlehem Park Playground and upgrades to infrastructure and play equipment at Lehigh Soccer Field & Playground.

Our **Technology Department** continued to modernize outdated policies and workstations, deliver remote technology capabilities and upgrade communication tools and software used in City Hall, City Council, Public Safety and the Senior Center.

Technology's alert system also stopped nine cyber-attacks which would have caused great harm to city operations.

Our **Recreation Department** launched a new summer tradition; *A Bite of Lackawanna Food & Music Festival* along Ridge Road. This one-day event held last June, showcased our city's great restaurants with on-street food stands along with live and DJ music and family activities. The event was a great success, drawing well over 4,000 people at its peak.

Recreation also hosted 20 teams in co-ed softball and kickball leagues, along with the free summer lunch program at city playgrounds and events including Memorial Day Service, National Night Out, Thursday Night Concert Series, Shakespeare in Delaware Park at Galanti Park, holiday tree lighting ceremony and various other senior and youth programs.

Recreation also continued its partnerships with the *City Swim Project* and the *Independent Health Soccer for Success Program*, which included both indoor and outdoor play options and their new 'Girls in the Game' program.

I want to thank the Lackawanna City Council and every department head, employee, contractor and partner for their many contributions to our city's successes in 2023.

Looking ahead to this year; while much was accomplished in our first term, there is still more work to complete.

As noted earlier, the new splash park at Franklin Playground is finally under construction and scheduled to open this summer! A splash park for Lackawanna kids has been discussed for too many years – and we're finally making it happen!

Other projects we'll start or complete in 2024 include:

- New city hall construction, to include future demolition of the current building – site plans have been created and we're preparing to go to bond in the coming months,
- Construction and installation of a new traffic signal on Ridge Road at Steelawanna Avenue in the First Ward, which is 100% grant funded,
- Milling and paving of Wilmuth Avenue, also in the First Ward,
- Marketing and re-development of vacant city parcels on Ridge Road at the old Friendship House site and Dona Street at the former Lincoln Annex School site,
- Year two of 'A Bite of Lackawanna' which this year will be on Sunday, June 23rd. More information will be shared in the coming weeks,
- and, the Veterans Stadium renovation project.

In relation to the stadium project; despite misinformation on social media, the project grant money is still in place and neither missing or misappropriated.

However, there is an ongoing delay because we are redefining the project with New York State to correct an error in the grant application submitted prior to 2020, which included nearby properties unrelated to the stadium project in the application.

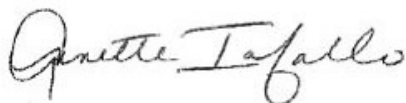
In addition, an updated title search identified that a portion of the northern boundary where Smoke Creek abuts Holy Cross Cemetery is owned by the Diocese of Buffalo, not the city of Lackawanna. Our Law Department is working to resolve this situation with the Diocese. We are doing our best to move this project forward as fast as possible in light of these issues.

Lastly, we remain in contact with Douglas Development regarding the commercial and residential project at 539 Ridge Road announced in September of 2022. Both sides remain committed to the project and hopeful economic conditions will improve during the year allowing it to progress.

In closing, I want to thank each and every resident who voted in the November General Election. I was blessed to have earned a second term as your mayor.

The tremendous voter support I received sent an undeniable message that our plan for building a stronger and better Lackawanna is working – and as a community, we want to continue going forward, not backward.

Know that I will continue, as I have since taking office in 2020, to make decisions and take actions which put Lackawanna's future first for ALL who live and work in our great city! Stay safe and God bless.



Mayor, City of Lackawanna