



2026 State of the City Address
Mayor Annette Iafallo
March 18, 2026
(as presented live)

Good afternoon and welcome to the 2026 Lackawanna State of the City address. I'm Mayor Annette Iafallo and joining me is Karen Gambino from Western New York Deaf Access Services.

I'm thrilled to present this year's address from our newly rebranded Community & Senior Center, a name reflecting the expanded use of this wonderful community asset. Later this year, we'll begin a \$150,000 grant-funded project to upgrade ADA accessibility throughout the building.

As is customary for this presentation, I'll highlight our city's recent accomplishments and then look ahead to future projects, opportunities and challenges.

I'll begin with **Public Works** and the largest city development project in Lackawanna's nearly 117-year history – our new City Hall at 2838 South Park Avenue.

Construction is nearly 70% completed. And permanent power is connected, allowing for interior finishing work to be completed. Warmer weather will also allow for completion of various exterior tasks.

All remaining tasks, including final inspections and Certificate of Occupancy, should be finalized around mid-year. From there, we'll begin moving staff from the City Hall extension on Ridge Road to the new facility. A timeline for that move is being created.

An update on the remaining project phases will be provided later in my remarks.

The DPW also completed milling and paving work on Kirby Avenue, including installation of ADA-compliant curb ramps. And crews completed patchwork and road striping on multiple roads, plus various sidewalk and curb repairs.

Several new equipment investments were also made to improve efficiency, safety, and cost-effectiveness; resulting in more work to be performed in-house, faster response to weather events, and less dependency on outside contractors.

I'll now focus on our city's financial performance and position:

Data from the **Comptroller's Office** for the 2024-2025 Fiscal Year ending July 31st shows Lackawanna to be in a solid position:

- The General Fund was at nearly \$12.6 million dollars; up from nearly \$10.8 million dollars the prior year. Of this amount, nearly \$3 million dollars was used to minimize the impact on taxpayers of a necessary 3.5% city tax increase.
- And, the unassigned fund balance was approximately \$7.5 million dollars, which is a slight increase from the prior year.
- Like most municipalities Lackawanna faced sharp price increases in all categories; most notably, healthcare. To address a projected 30% increase in premiums, our city switched carriers and moved to a high-deductible plan. This resulted in a more manageable 5% increase.
- In response to the rising cost environment, the per unit Garbage Fee increased from \$254 to \$264; the first increase to this fee since the 2018-2019 Fiscal Year.

The Comptroller's Office also completed the 2024-2025 independent audit resulting in a 'clean opinion.' This means Lackawanna's financial statements were presented in a timely and accurate manner with effective internal controls in place. Receipt of a clean opinion is the audit 'gold standard' and a positive outcome for our city.

On the revenue side, the **Treasurer's Office** collected nearly \$13 million dollars of the city's over \$14 million-dollar tax levy for the current fiscal year; an impressive 90% collection rate. In addition, \$250,000 in delinquent taxes and penalties were recovered from prior tax years.

And the **Assessor's Office** generated \$20,000 in revenue by subdividing and selling a three-acre landlocked property on South Drive to 22 neighboring residential property owners. The Assessor also processed over 400 exemption renewals, conducted four exemption workshops throughout the city and adopted a paperless records system to improve service time.

Turning to **Development and Code Enforcement**:

Lackawanna earned Pro-Housing Community Certification through New York State's Division of Homes and Community Renewal. This makes the city eligible for various state funding programs supporting housing, neighborhood and economic development.

New projects occurred at a slightly slower pace than recent past years, as developers faced significant cost and financing uncertainties – a common scenario statewide.

However, Lackawanna still announced several noteworthy projects, including:

- Deckorator's \$77 million-dollar project at 300 Commerce Drive to construct a new production and distribution center for composite decking and railing products employing 50 people. A soft-opening is expected around mid-year.

- One-Credit Union’s \$2 million-dollar new branch construction project at 3040 South Park Avenue, which will initially employ 8 people and up to 12 with future expansion. Construction will start in the spring and run 12 to 18 months.
- Site plan approvals to Woysner’s Flower Shop, its Christmas Shoppe and Stone Art Memorial for a nearly \$1 million-dollar combined project across their Ridge Road facilities.

Woysner’s has completed relocation of its flower shop from 910 Ridge Road into renovated space in its nearby Christmas Shoppe at 880 Ridge Road; a move made to improve efficiency and customer convenience.

Stone Art has purchased the former flower shop building and is integrating that space into its 914 Ridge Road facility. This will result in larger operating space, a new façade and customer access and relocation of a warehouse operation from another municipality. Stone Art’s project will be completed in phases over the next 12 to 18 months.

- Lackawanna also adopted a Historic Property Zoning District for the Our Lady of Victory campus in order to provide additional protections for these historically, architecturally and culturally significant properties.
- And we continued our housing construction partnership with Habitat for Humanity; with two homes completed on Holland Avenue and Stony Street and two more in progress on Ingham Avenue expected to be completed in the next 6 to 12 months. These in-fill housing projects benefit Lackawanna by transforming vacant land into revenue producing properties.
- As a result of these and other projects, **Code Enforcement** issued 837 permits totaling over \$260,000 in fee revenue. In addition, 815 compliance orders were issued on properties in violation of city and state codes.

Under **Public Safety**, the City of Lackawanna continues to benefit from the professional work performed by our **fire and police** departments:

- Fire crews responded to 3,703 calls, including 46 fires and 2,815 calls for emergency medical services. Also, 359 inspections were performed across 535 residential units. And the department received over \$275,000 in safety and training grants, continuing its excellent performance in securing grants.
- Police officers responded to 20,495 service calls, resulting in 793 arrests, 5,393 traffic summonses and 1,725 parking tickets. The department also continued its community programs including Learn-to-Play, holiday food drive and Shop with a Cop. A grant-funded Body Worn Camera Program was also implemented along with the G.I.V.E Grant, a gun violence elimination program through the New York State Division of Criminal Justice Services.

Moving to **Purchasing and Technology:**

The city continued efforts to upgrade obsolete and damaged fixtures, technology, vehicles and equipment across departments and properties including, Assessor, Community & Senior Center, Development / Code Enforcement, Fire, Police, Public Works, Public Library and Splash Park.

This included a new LED lighting system as part of the Veterans Stadium Renovation Project, which I will address later in my remarks.

Purchasing and Technology is also leading the selection, installation and user-training for new technologies at the new City Hall and creation of a network mapping program to make future upgrades easier and seamless.

Purchasing also continued leading the Hometown Hero Banner Program, with 36 new banners added last year.

Under **Recreation:**

Lackawanna again hosted its long-running summer co-ed softball and kickball leagues, with 16 total teams participating.

And in partnership with the Lackawanna Police Department, various summer sports and activity programs were offered including:

- Basketball, hockey and soccer tournaments,
- Officer-led sports clinics and,
- Movie Nights, which include free treats and snacks.

Recreation also continued the Independent Health Soccer for Success Program, grant-funded Free Summer Lunch Program at neighborhood playgrounds and several long-time community events including, Memorial Day Service, National Night Out with the Lackawanna Police Department, Thursday Night Concert Series, Shakespeare in Delaware Park, Holiday Tree Lighting, Halloween Parties for kids and seniors and Kid's Christmas Party.

And last, but far from least, the **Law Department:**

Nearly every accomplishment highlighted in my remarks involved contracts, resolutions, ordinances or some interpretation of the city charter and code; putting the Law Department at the center of most every project to ensure Lackawanna's interests are protected.

The Law Department also administers our city's Human Resources function. As such, they played a key role in the high-deductible health plan transition, along with the Civil Service Department.

Law provide guidance on assorted Housing Court, Zoning Board and Planning Board matters and continued to defend Lackawanna against frivolous insurance claims.

And a Summer Intern Program was established with Global Concepts Charter School.

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

Without you, none of this would be possible!

Looking ahead, we will focus on making significant progress on several priority projects in the 22 months remaining in my mayoral term, which ends December 31, 2027 due to mandatory term limits.

This includes the following:

- ***Veterans Stadium Renovation Project.***

I understand this project is a source of community frustration. And I share your frustration.

So, what is causing the long delay?

This is a grant-funded project through New York State initiated prior to my administration taking office in 2020. The grant application defined the project boundary as the entire stadium property and the walking trail along Smoke Creek. The trail was subsequently discovered to be owned, in part, by the Diocese of Buffalo on the northern boundary near Holy Cross Cemetery.

This grant was approved over six years ago and the state has informed us that no project components, including boundaries, can be changed without a new application submission. Which is impractical.

The diocese is cooperating with us to resolve the matter through easement or sale. However, they are in Chapter 11 Bankruptcy, making any land conversations complicated.

My administration is committed to preserving the grant and moving forward. To that end, we've taken steps to prepare the site for when grant funds are available, including the LED lighting system noted earlier and demolition of unsafe concrete bleachers using a county grant.

At this point, Lackawanna has done all it can. We're now awaiting feedback from the Diocese on next steps.

- ***New City Hall Project Phases II and III – 714 Ridge Road***

The New City Hall Project, since its beginning in November, 2024, has consisted of three phases:

- construction of the new building on South Park,
- demolition of the City Hall Extension on Ridge Road and,
- structural renovations to the municipal building housing the Lackawanna Police Department and City Court after demolition of the extension.

As announced at a March 2, 2026 work session involving the Lackawanna City Council, the New York State Unified Court System is now mandating more capital upgrades be made to the municipal building. This mandate far exceeds the original scope and cost budgeted for this project phase, with a current estimate of \$12 to \$15 million-dollars.

While our city's financial position is solid, a \$12 to \$15 million-dollar project far exceeds our General Fund capacity. Therefore, a project of this size would require Lackawanna to issue a second bond. The first, related to the construction and demolition phases, is already underway.

We are in contact with our state senate and assembly representatives to determine what assistance is possible, as we continue to evaluate our options for this project.

And, one could argue that Lackawanna should simply push back against the Court's demands.

However, Section 39 of the Judiciary Law mandates that municipalities provide ‘suitable and sufficient’ facilities as deemed necessary by the Court. And the current Judiciary Law further gives the Court authority to withhold state aid from municipalities for non-compliance. This scenario is occurring in the City of Schenectady and one we want to avoid in Lackawanna.

We have every intention of moving forward with demolition of the City Hall Extension, as the building is physically and functionally obsolete; making it unsafe for employees, visitors and the community.

How and when demolition and renovation phases move forward will depend on the agreement Lackawanna and the Court reach as to project scope and cost. These discussions are ongoing and we’ll provide updates when appropriate. We anticipate some work to begin this year, with a 2026 to 2029 timeline for completing the extension demolition and municipal building renovation.

- ***DPW Road, Infrastructure and Training Projects***

Martin Road – from South Park Avenue to Abbott Road, will be the next milling and paving project undertaken. Similar to past projects, Martin Road will be funded through the New York State Consolidated Local Street and Highway Improvement Program, commonly known as CHIPS.

Warsaw Street Bridge - Soil testing around the bridge will begin as weather permits in preparation for a grant-funded reconstruction of the bridge scheduled to start in 2027.

In-House CDL Training – Thanks to Third Ward Councilmember Tim Meegan, our DPW is officially registered with the Federal Motor Carrier Safety Administration. This allows the DPW to offer in-house training and certification for employees to obtain their Commercial Driver’s License, which will strengthen our city’s workforce development efforts and long-term operational capacity.

- ***Housing Development Initiatives***

Lackawanna will pursue several projects supporting our Pro-Housing Community Certification:

MOVE-IN NY – our city has been conditionally accepted into this innovative new home construction program, which is focused on expanding affordable homeownership opportunities and generating new revenues for host municipalities.

We expect final approval in the coming months. From there, we will partner with Lackawanna Housing Development Corporation to install up to eight new cross-modular homes on vacant city lots in the First, Second and Third Wards by year-end 2026.

Lackawanna also plans to work with Erie County Planning Department and outside engineering consultants on additional housing projects on Ridge Road and Dona St. Similar projects were identified in last year’s address however, we did not find the right opportunity to move forward.

- **Recreation Initiatives**

Playground Upgrades - as we've done many times since 2020, grant and other funding will be used to upgrade neighborhood playgrounds. This year's focus will be Avery, Cleveland, East Milnor and Ridgewood Village. Project details will be announced in the future.

In response to resident feedback, we investigated the feasibility of reopening a former playground in the *Autumn Acres* neighborhood, which was last used in the early 2000's.

Research determined that the former playground is located within a 110-acre land parcel designated as state wetlands; an area extending from the south side of Martin Road, west to the neighborhoods east of South Park Avenue, including Autumn Acres. Based on this finding, it will not be feasible to reopen the former playground.

Franklin Splash Park & Playground – to allow playground access when the splash park is closed, new safety fencing is being installed. Work will be completed before the facility opens this season.

Sadly, acts of vandalism continue to occur at Franklin; where in 2024, nearly \$1.5 million dollars was invested to build a state-of-the-art splash park and playground including a new basketball court. The most recent act occurred over two weeks ago when the professional-style basketball backboards were, for the second time, destroyed by vandals using a large brick.

To break those backboards required repeated and noisy actions by vandals. Someone nearby should have been able to hear or see what was happening and call the police. But no one did, which is very disappointing.

All city recreation facilities belong to the taxpayers. Therefore, it is the obligation of every parent, resident and property owner to step-up and help stop this senseless criminal activity. Lackawanna is better than this and we can not allow such behavior to continue.

If you see something, say something, by calling the Lackawanna Police at 822-4900 or my office at 827-6464.

- **Lackawanna Public Library**

Lackawanna has contracted with *pta preservation specialists* to prepare a National Register of Historic Places nomination for our city's historic library. In addition, our city will create a Historic Property Zoning District similar to the one recently established for Our Lady of Victory.

In closing, I want to thank every Lackawanna resident and taxpayer for their ongoing cooperation and patience. And, for sharing feedback with us.

While there's always room to improve, we are listening and doing our best on your behalf. And, know that I will continue to always make decisions and advocate for actions which put the City of Lackawanna's future first!

Annette Iafallo
Mayor, City of Lackawanna