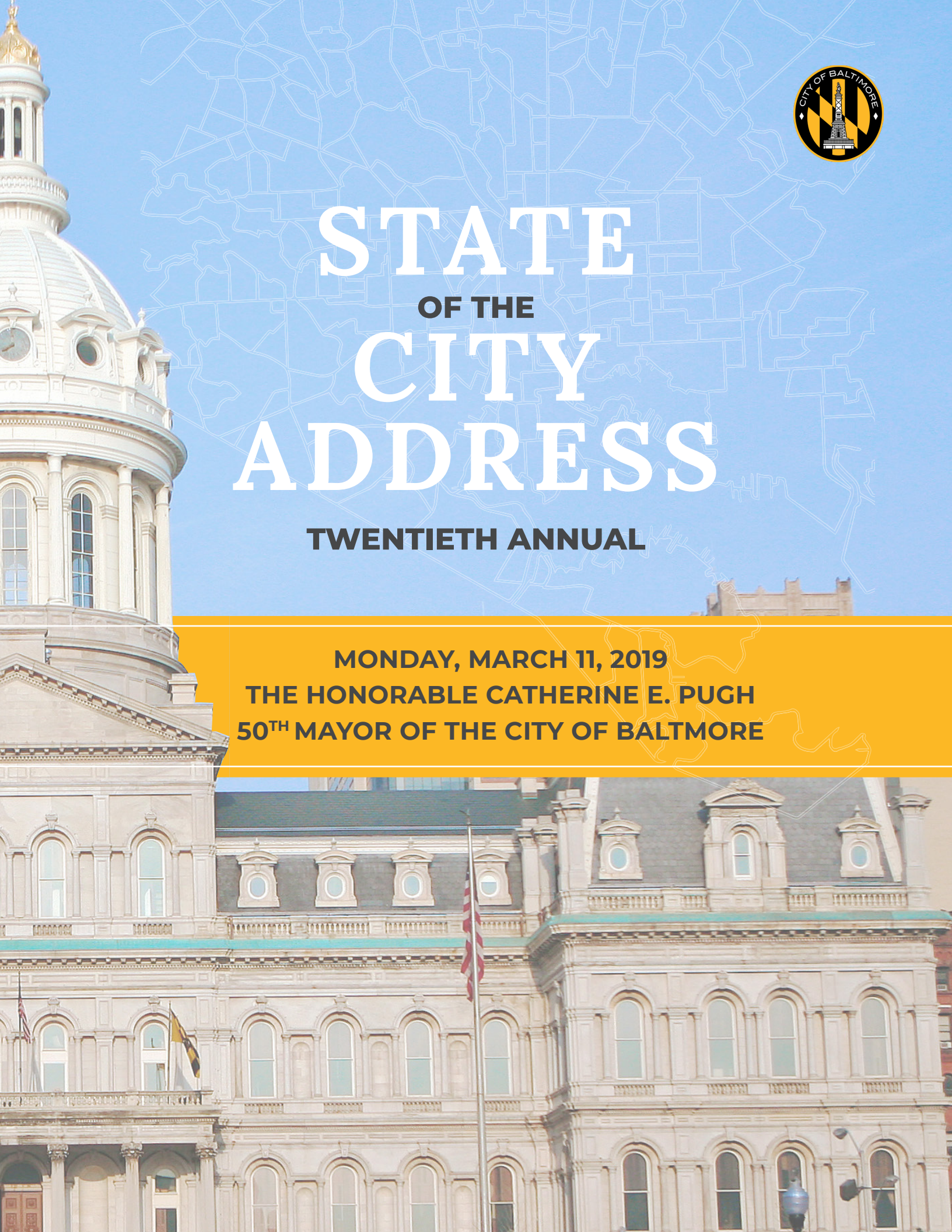




STATE OF THE CITY ADDRESS

TWENTIETH ANNUAL

**MONDAY, MARCH 11, 2019
THE HONORABLE CATHERINE E. PUGH
50TH MAYOR OF THE CITY OF BALTIMORE**





“Our commitment is to improve the quality of life for all of us who live, work, play and visit our city”.

MAYOR CATHERINE E. PUGH

STATE OF THE CITY ADDRESS

Mr. President, members of the Baltimore City Council, Comptroller, residents, business owners, family, friends, neighbors, those gathered and those listening, it has been 2 years 2 months and 23 days since I was sworn in to serve as the 50th mayor of our city. Thank you for this privilege.

My early charge to our city agencies to collaborate and work together has achieved some successes, although we realize that we still have many challenges in front of us.

There is not a single person in this city, including me, who can say that we are satisfied with the level of crime today. There is too much violence,

too many illegal guns which have left many in our city, including me angered and devastated. Our commitment is to improve the quality of life for all of us who live, work, play, and visit this city. While we reduced murders to 296 last year, though picked up 13 murders from previous years and as far back as 1975. That left us with 309 homicides, resulting in a near 10% drop over the previous year of 343. It is not enough. One life lost in this city is one life too many. Driving crime down, making this City safe is, and continues to be, my number one priority. It is the single most important factor in improving the quality of life of us all. We can and will do better.



Violence Reduction Initiative

I want to thank the team of people who make up the Violence Reduction Initiative - the VRI: police commanders and agency leaders who meet daily at police headquarters, including a weekly walk with me through crime ridden neighborhoods, which are defined as 8 VRI zones where violent crime was reduced by 24 percent and other crimes were reduced by as much as 30 %. We have so much more to do.

Dr. Bundley and the team in the Office of African American Male Engagement are working with boys and men on our streets to help get them off the corners and connect them with the help they need, including jobs to support themselves and their families. They've engaged Congressman Cummings in this work.

In November, we received state support to expand Safe Streets, and also we kicked-off Roca at the end of the year to focus on the most troubled young men, age 17 to 24. Roca provides them with jobs, counseling and wrap around services of support. We believe both programs can help us reduce crime. Thank you, Tyrone Roper and the Mayor's Office of Criminal Justice and our business leaders, for your support.

We are proud to have settled the police contract that helps put more police officers on our streets with the new shift schedule that began last month and also gave us two citizens to be placed on our trial boards.

Commissioner Michael Harrison

Michael Harrison, we welcome you to Baltimore. As Acting Commissioner, you spent your first nine days crisscrossing neighborhoods to hear the concerns of our residents around violence which includes clearing open air drug markets, reducing crime, creating a more engaged department along with the implementation of the Federal Consent Decree. Mr. Harrison, as many of you know by now, comes to us from New Orleans after twenty-eight years of service and four as head of their police department.

New Orleans, once considered the most troubled cities in America has, under Commissioner Harrison's leadership, experienced one of the highest percentage drops of crime in the nation. In his own voice, he considers the challenges of Baltimore as an "opportunity." Commissioner Harrison, you have my full commitment to support your efforts to reform this police department, changing the cultural behavior, implementing the Consent Decree, creating a more Constitutional, community-engaged department, and driving down crime.

Your work has already begun. You have improved CitiStat which will create more accountability and transparency in policing and hiring. This past year, we also gained certification of our high school cadet program led by Dan Hymowitz and our Bloomberg Innovation Team that will allow our City school graduates to enter a two-year cadet training program that will enable them to earn \$35,000 while training to enter the Baltimore Police Academy, where they will then be able to earn approximately \$52,000 per year - competitive with surrounding jurisdictions.

We also commit with the help of the State to provide our Department with the tools and resources needed to fill the vacancies while improving technology and training facilities that will allow the maximum number of officers to be hired.

Let me also welcome Cheryletta C. Harrison his wife, who gave up a great career to join her husband on this journey. Thank you Cheryletta C. Harrison.



PROVIDED NEARLY

9,000



SUMMER JOBS
IN 2018

OVER 500
YOUNG PEOPLE
ENTERED



BCCC
FREE IN 2018

PROVIDED
ASSISTANCE TO 400



BALTIMORE CITY
PUBLIC SCHOOL
STUDENTS

OPENED
7



21ST CENTURY
SCHOOLS

28 NEW
SCHOOLS IN
BALTIMORE



IN DEVELOPMENT

Youth Opportunities & Education

Improving the outcome of the lives of our children is important to the quality of life of our City.

There is no doubt that the young people in our City want to work. Last year when we closed our job portal for summer jobs, just over 12,000 young people had signed up to work. We were able to provide jobs for nearly 9,000 of them.

This year 16,000 young people applied for work this summer. I'm calling on the business, philanthropic community, organizations and nonprofits to help us hire all of our young people who want to work this summer. It is clear that many of these young people also need full-time work. So, while we are providing assistance to some of them year-round through our Be-More Beautiful campaign (thank you Rebecca Woods, of our Environmental Control Board), we must create more sustainable job programs to keep them working while helping them to plan better futures. Thanks to our unions we are creating more apprenticeship programs to put people to work.

On April 26th we will host our annual job fair for our high school graduates and ask the companies in Baltimore to join our city agencies, while we provide them with opportunities to work. Hire them!

Last year, we announced that we were going to make Baltimore City Community College free so that no parent would have to worry about their child's dream of success.

We are proud to announce that over 500 young people entered Baltimore City Community College for free in the fall of 2018.

However, we know that many of them are facing challenges, whether it is cost of transportation, housing or a support system to assure their success. We are now working to close those gaps with the help of others. We are currently seeking support to build a dormitory facility to accommodate our young people who are struggling because their environments are not conducive to learning. Some are even homeless. Let me thank Jason Perkins-Cohen who not only heads our Office of Employment Development and Youth Works Program, but Youth Works but provided an opportunity to earn while they learned to over 400 Baltimore City Public School students who were not academically prepared to enter Baltimore City Community College.

If you want to know how you can help our young people be successful at Baltimore City Community College, volunteer to be a life coach. They need you. Contact the Mayor's Scholars Program and volunteer your services. Baltimore is the only city in the country where you can universally earn a four-year college degree for free, thanks to Coppin State University that has offered our BCCC Mayor's Scholars an opportunity to earn their Bachelor's degree after earning their Associates degree.



Let me also thank all the college and universities in Baltimore who have leaned-in with scholarships and grant programs, and also the Year-Up program for helping our students be successful. Building better schools is essential to the improvement of the quality of life in our city.

Let me acknowledge that we are on-time and on-budget to cut the ribbon on several more 21st century schools in Baltimore last year. We opened seven and we look forward to them becoming greater anchors in our communities, spurring investment and revitalization. We thank the stadium authority and the State of Maryland as they continue to build the twenty-eight new schools in Baltimore, more than will be built in the entire state. We are thankful for the \$1.2 billion we were able to obtain from the State during the same period. Even with that investment, we still have schools with no running water. We need more, as much as we need the Kirwan Commission to adjust the funding formula to help us improve outcomes for our children, who are deserving of a quality education.

“Last year we opened seven new schools and we look forward to them becoming greater anchors in our community spurring investment and revitalization”.

IN 2018
650K
TRIPS COMPLETED
ON DOCKLESS
SCOOTERS

IN 2018
4,635
TRIPS COMPLETED
ON E-BIKES

“We look forward to increasing our electric fleets thereby reducing our carbon footprint”.

Transportation

New modes of transportation are being tested in Baltimore while we seek to accommodate more bike lanes. In August of 2018, we introduced dock-less scooters and electric bicycles. By the end of 2018, 650,000 trips were completed on scooters and 4,635 trips on e-bikes, with over 180,000 users. We look forward to increasing our electric fleets, thereby reducing our carbon footprint. Thank you, Michelle Pourciau, Director of Transportation, and Steve Sharkey of General Services, whose 200-team members each received a \$2000-dollar bonus check as they shared in the significant savings which they provided the City in repairing our fleets.

The Health of Our City

The health of our City remains a top priority, as we together met our billion-step challenge. We are looking forward to the confirmation of our new health commissioner Dr. Letitia Dzirasa, after the departure of Dr. Leana Wen who now heads Planned Parenthood. Our City struggles with addiction and homelessness. We will open the first-of-its-kind new Stabilization Center, a joint effort of the Health Department, the Fire Department and the EMS division, led by Chief Ford and Behavioral Health Services of Baltimore which will provide 24-hour services to help fight substance abuse and addiction.



Neighborhood Investment

Homelessness can end but we must be strategic and focused. I want to thank Janet Abrahams who is renovating some public housing units to provide housing for the homeless. Shelters are not homes and we cannot expect people to fully pull their lives together, if that is the only reliable place to help them up from the streets. Jerriane Anthony, our newly-appointed Director of Homeless Services, will provide us with a successful roadmap to ending homelessness. I am proud to say that with the help of this Council we were able to create a \$20 million annual Affordable Housing Trust Fund. Affordable housing also means accommodations for the homeless.

Broken pipes and flooded streets also factor in to the quality of life in our City. We can no longer kick the can down the road. During the flooding of Frederick Road, families found their homes and cars underwater, streets washed away. I remind us all that we are under a Federal mandate to fix these pipes so as not to endanger any more lives or personal property. The Frederick Road repairs cost the City nearly \$2 million dollars. David McMillan and his team from Emergency Management were there to hold the hands of the residents and clean-up and repair the damage - but it does not fix the problem. I'm calling on our public works department, Director Rudy Chow, to prepare for our citizens a transparent plan with a clear time frame and the citywide plan to fix our infrastructure. Privatizing our water system is not an option.

Neither is selling City assets. My team wrote the charter amendment making that declaration and this Council passed legislation supporting that mandate. However, to maintain its value we must fix the pipes so as not to experience what Flint Michigan has, and is experiencing - a whole city depending on bottled water. This, of course, comes at a cost which will necessitate rising water rates for the next three years. But because we maintain ownership of our water system, we will reduce those prices and find cost savings to return to our citizens. I have asked our federal partners for help and they have provided us with \$200 million dollars in low interest loans that will keep us on target for reducing water costs.

We must prepare for a future that leaves us with less of a carbon footprint and a better way to manage our trash, whether we expand composting or offer the world an opportunity to use Baltimore as a laboratory for creating safe, green and carbon free methodologies to control trash and garbage while finding better reuses for it.

Improving the quality of life also means fixing and reducing the boarded up housing stock in our city. In Park Heights, sixteen acres are now ready for rehab and new housing structures. We will drive the number of vacant buildings below 15,000 for the first time in more than 15 years. We are entering a new era of community development.

We are entering a new era of community development.

The \$52 million dollar Neighborhood Impact Investment Fund that this administration created by not selling city-owned garages is now up to nearly \$80 million dollars and is expected to grow. These funds will be used strategically to focus on neighborhoods outside of downtown that have been underinvested in for decades, from Sandtown, to East Baltimore, to Madison Park, to Harlem Park, to Hollins Market, Druid Heights, to Park Heights - we will change our neighborhoods for the better.

We believe in the strength of our neighborhoods, community development corporations and community associations. So, in 2018 we provided over \$10 million dollars in operational and capital support to over 60 such groups. The leadership of Michael Braverman, Jay Greene and their team are producing great work.

Thanks to the U.S. Conference of Mayors and the workshop that Enterprise Foundation offered and that I participated in last year which asked all mayors in the country to learn about opportunity zones, Baltimore is now one-third of the State's opportunity zones with a total of forty-two - more than almost any other city in the nation. And just a few weeks ago, we learned that Prudential has made the first Opportunity Zone investment

of over \$10 million in our Yard 56 East Baltimore project. Thank you, Ben Seigel, our Opportunity Zone coordinator, Bill Cole of the Baltimore Development Corporation, our Department of Planning, Colin Tarbert, Jim Smith and Pete Hammen.

We announced that we were among the finalists last year to receive a \$30 million HUD Choice Neighborhood Grant. I'm proud to tell you that we were winners of the \$30 million which will spur over \$800 million in investment in the Perkins, Somerset and Oldtown communities. Janet Abrahams, again, thank you for hitting the ground running.

Reggie Moore, our Recreation and Parks Director, your team has led the way to improving parks, building new recreation centers - adding to the 43 across the City you operate, while building two new recreation centers - Cahill and Middle Branch in Cherry Hill. We are currently renovating Bocek and Towanda, with plans to also renovate Mary E. Rodman, Medfield and Edgewood Lyndhurst, as well as renovating the Oliver Pool that has been closed for ten years. With the support of our State delegation we will be able to renovate six more pools in the City where our children will be able to swim for free. These centers also open to provide our children with activities and meals when our schools are closed. I look forward to lighting the torch launching our newly-established summer games in Olympic fashion, with a ceremony culminating on the steps of the War Memorial Plaza.

Besides the opening of Shake & Bake with a new skating floor, 500 pairs of new skates, new concession stands, meeting rooms, and big screen TVs, the bowling alley is expected to reopen with new lanes and other amenities in April.



“The \$52 million dollar neighborhood impact investment fund that this administration created by not selling city-owned garages is now up to nearly \$80 million dollars and expected to grow”.



MAYOR CATHERINE E. PUGH | COMPTROLLER, JOAN PRATT | FORMER BALTIMORE COLT & FOUNDER OF “SHAKE AND BAKE” GLENN DOUGHTY

Economic Development



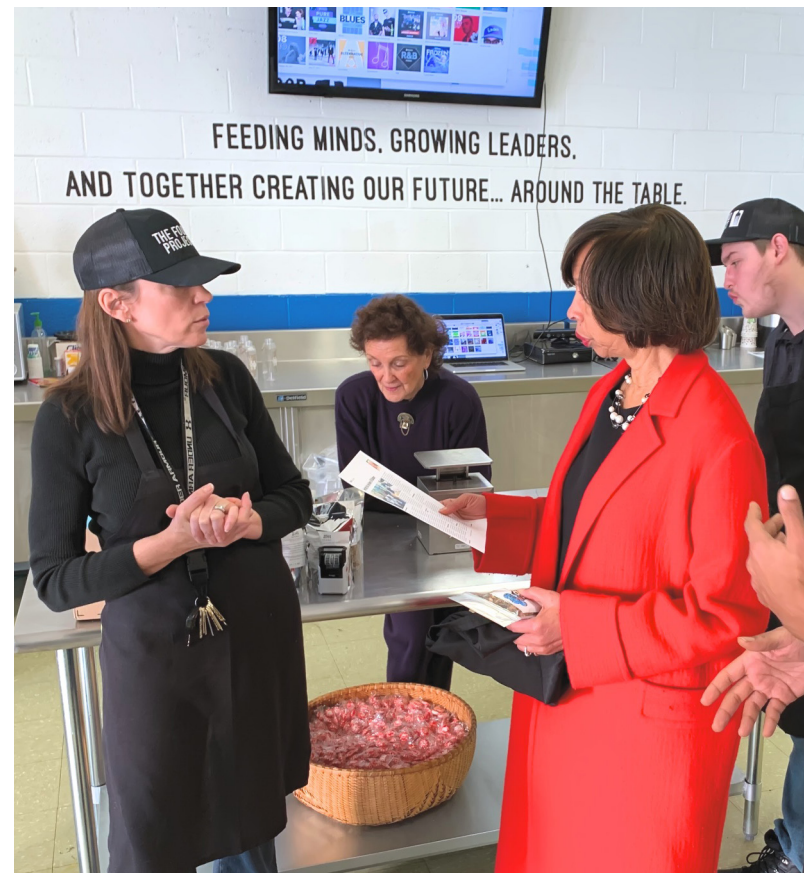
Heidi Daniels we look forward to dancing in the street in front of our newly renovated main Enoch Pratt free library.

We also thank you for your mobile unit that we have now added with our mobile jobs unit, which we are moving through neighborhoods and communities to connect people to jobs. On our unit, we've added lawyers to help qualified individuals expunge their records.

Creating homeownership is important to the growth of our city, so I want to thank our hospital systems – Johns Hopkins, the University of Maryland and Lifebridge – all who have, and are, offering from \$18,000 to \$35,000 dollars for employees to live near where they work. This includes our first-time homebuyers' program that can provide \$5,000 in tax credits for first time home buyers. Soon we will announce another program from a large bank – a loan program providing \$20,000 – \$30,000 in forgivable loans to live in our City.

I challenge our local companies and corporations to help us grow Baltimore. Please work with Annie Milli, Director of Live Baltimore, to offer incentives for your employees to live near where they work. We will continue to think creatively about how best to turn boarded-up houses into homes, whether through a dollar-like house program where we qualify individuals to renovate them and live in them within a year or creating a lower tax rate for those who will come and renovate and live in boarded up blocks and turn them into neighborhoods.

Importantly in our city we must create equity in opportunities provided by and through City contracting. This is not a request of our City agencies, but a mandate. Contracting or purchasing services, or products, that includes professional services must include African American and other minority participation. We must stop the excuses and just do it, sharing opportunities and becoming more diverse and inclusive will only make our City stronger.



FIRST TIME
HOMEBUYERS
PROGRAM



\$5,000
FOR 1ST TIME
HOME BUYERS



FORGIVABLE LOAN
PROGRAM



PROTECTING
OUR IMMIGRANT
COMMUNITY



REDUCED THE
HOMEOWNERS
TAX CREDIT BY 20
CENTS



Our equity officer, with the help of the Office of Sustainable Solutions, under the direction of Kendra Parlock, will develop tools of measurement to ensure that we achieve the goals of equity, diversity and inclusion that incorporates the residents and businesses of our City.

I've asked Paul Taylor in our Small Business Office to host a business fair to stimulate small business lending and investment by local banks and investors. You will hear more about this in the coming months.

Let me remind you also that we are just about one year away from the U.S. census count. Our team is hard at work and we are committed to counting each and every person living in our City. An inaccurate count will result in the loss of essential Federal dollars. While this will be the first census in which we will use the internet, there will be three ways to be counted: internet, paper and phone. We will use authentic messengers to help us with this effort. Our last Census count a decade ago

resulted in us achieving a 68 percent participation rate. The U.S. Census Director recently said to me that he's committed to jumping into our Aquarium pool if we get to 70 percent. Let's make that happen!

Baltimore is a welcoming city and we thank Catalina Rodriguez-Lima for helping Baltimore to be among the first cities to provide a legal fund to protect our immigrant community.

Cutting property taxes in Baltimore in order to be more competitive is necessary. For fiscal year 2020, I will achieve and fulfill the commitment to reduce the targeted homeowner's tax credit by 20 cents. This was the "20 Cents by 2020" initiative under the previous administration, bringing the effective tax rate for owner-occupied residences to \$2.048 beginning July 2019. Today we are announcing, Mr. President, that for fiscal year 2021 we will reduce the targeted homestead property tax by five cents, bringing the effective tax rate under two dollars to \$1.998.

I assure you Baltimore that we intend to be aggressive and financially responsible at the same time as we pursue other property tax reduction opportunities to make Baltimore more competitive with its surrounding jurisdictions.

Investment are being made in Baltimore. We are seeing it in our Opportunity Zones, and thank Goldman Sachs for its nearly \$300 million dollars in investment in Port Covington, but also La Cite. We are now looking to help transform Cherry Hill without gentrifying or displacing residents but improving their quality of life. We are also grateful to JP Morgan which is looking to further invest in Baltimore. Baltimore's future growth and job development will create a path for numerous investors, and more opportunities for local entrepreneurs, developers, individuals, and business owners to grow and expand in our City.

Let me say to all the people, groups, organizations, our Women's Commission, our LGBTQ Commission, and Youth Commission, including my Call to Action group, thank you for leaning-in and not just standing on the sidelines. I can't

do this work by myself. It is you who are the cheerleaders, the citizens, the concerned voices, the business leaders, philanthropic organizations, non-profits, and faith leaders who can and are helping me bring about the change that all of us want to see and deserve.

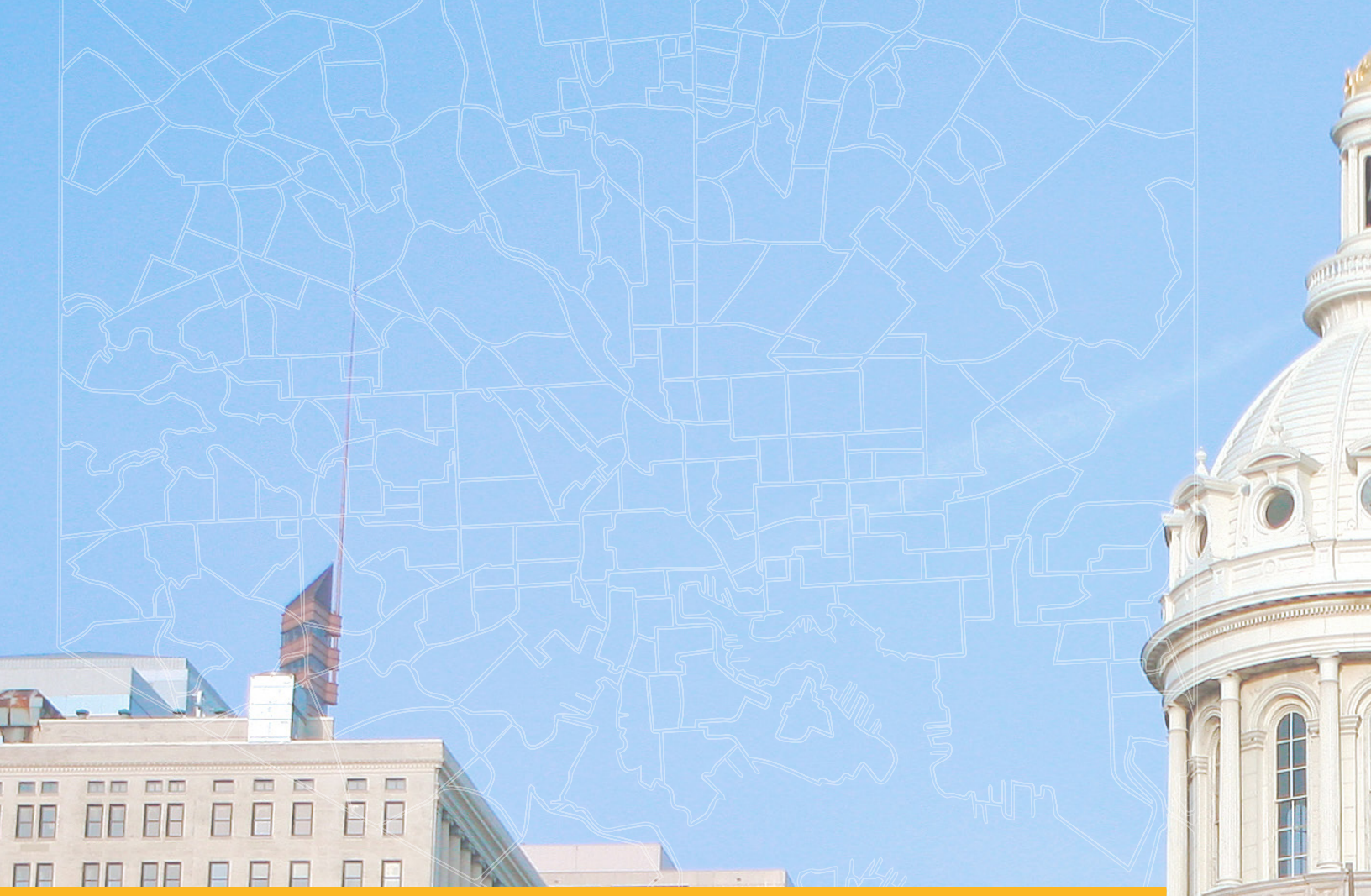
We are committed to keeping the Preakness in Baltimore, as we are changing the narrative of our City. It is our "Super Bowl." I say to the State and owners of the track, work with us and we will work with you. Partnerships matter, and the Preakness matters to Baltimore!

I thank our City Solicitor Andre Davis for his due diligence, I thank my entire Mayor's Office team - you make my job easier, and all of our elected officials, Federal, State, and this Council, Comptroller and you, Mr. President, for partnering now for our success in the future.

Baltimore, Baltimoreans, friends, neighbors, residents, business owners and stakeholders, together we can grow. Baltimore, we can be prosperous, and we will be safe as we improve the quality of life for all. Thank you!



THANK YOU



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