

**State Of The City Address – Mayor William M.
Manzi III
Methuen Board of Trade Meeting February 12,
2009**

Let me begin by thanking Nancy Carace, Rachel Voiland, and The Methuen Board of Trade for hosting this great event again this year. The Methuen Board of Trade excels in bringing the community together, and this year's Senior Center event is proof positive that the Board's important mission is being fulfilled.

Congratulations to new City Council President Deborah Quinn, and Vice Chair Jennifer Kannan. I look forward to working with you and the entire City Council in a positive manner over the next year.

I would like to recognize my wife Beth, my biggest supporter and the cornerstone of my family, as well as my children Billy and Meaghan.

I would like to express my thanks to all of the men and women who serve in the United States military, especially our Methuen residents on active duty. Words cannot express our gratitude for your service.

In this, my fourth year addressing this body, Methuen, our Commonwealth, and our Nation face the greatest economic challenges since the Great Depression. Those challenges will require new thinking, shared sacrifice, and a willingness to tackle problems that for too long have been deferred. But these problems have not stopped us as a city from making great progress in the past three years, and they shall not stop us from achieving our goals in the future. Last year, I laid out an aggressive list of priorities. I would like to begin by briefly outlining the accomplishments that we as a city have made this past year.

In my first Inaugural address I highlighted the need to streamline Methuen's regulatory processes, and make it easier to do business in Methuen. Our plan called for the consolidation of the community development department and economic development department, which we did. And that new Department, headed by Karen Sawyer, has produced significant results for our City. I felt, and the City Council concurred, that the creation of a Master Plan was a top priority. Through the work and cooperation of Methuen citizens and organizations, the Master Plan finally became a reality. One of the main goals of the Master Plan was to revise and recodify Methuen's Comprehensive Zoning Ordinance for the first time in twenty years.

This effort was completed and passed by the City Council last year. Some of the highlights include allowing for sensible mixed use in Methuen's downtown; expansion of the central business district; the creation of a new flexible open space residential development zone; increased ownership opportunities; an expanded affordable housing inventory; and better opportunities for additional economic development growth. One of the new code's major themes is to preserve the remaining rural character still found in many parts of the city. I am pleased with the new ordinance and would like to thank the committee, led by Economic Development Director, Karen Sawyer, for all of their hard work last year.

Many companies and individuals increasingly do business via the Internet. Recognizing this, I've made City of Methuen's website more informative and useful during my past three years in office. Last year, the Building Department introduced an on-line permitting program. Now, those seeking building permits and the like can apply and be issued permits on-line. This year, I am working to make this technology available in the Health, Conservation and Planning Departments. I would like to thank the Building and IT Departments for aiding me in this important effort. Methuen has been recognized by the Common Cause Campaign for Open Government, receiving the 2008 e-government award for its website. This year we will be unveiling the live e-broadcasts of City Council meetings on our internet site, which will start shortly. All of this change and improvement has come from our IT Department, without the utilization of outside consultants.

After many years of planning, the Methuen Arlington Neighborhood's Lena Lahey Community Center opened its doors last February. The Center houses after-school homework programs and the Women, Infants and Children program. The Center was a \$540,000 investment into the heart of Methuen's Arlington Neighborhood. This year we are working to add an elevator to the building so that space on all floors can be maximized.

Even though 2008 was one of the worst economic years on record, many new businesses decided to call Methuen their home. We welcomed two new banks to the city. Enterprise Bank on Broadway and Jeanne D'Arc Credit Union on Merrimack Street are both thriving. F.W. Webb, a plumbing supply company, opened its new warehouse/distribution/retail facility on Lindberg Ave, employing over 100 people. And Sal's Pizza finally came to Methuen with a new location at the Howe Street Superette, and I understand they are doing very well. Many new businesses will be opening in 2009 as well, and I will be announcing those later on tonight.

After my election as Mayor I recognized that an immediate priority was the complete overhaul of our Emergency Management System. Utilizing outside expertise that did not cost the taxpayers any dollars we did just that, modernizing our ability to serve our citizens in a time of crisis. That system was put to the test by the floods of 2006, and the system and our people performed wonderfully.

The turbulent weather of 2008 put that system to the test again, as Methuen was hit by the worst ice storm in recent memory. Many citizens were without power and heat for several days. Evacuations were ordered and an emergency shelter was opened at the CGS school. Many public employees, volunteers and relief organizations worked around the clock, much the way they did during the flooding of 2006, to insure that the needs of all Methuen citizens were met.

The City of Methuen incurred over \$300,000 in losses. All in all, thanks to our public safety and emergency management teams, Methuen weathered another devastating natural disaster. And thanks to hard work of Congresswomen Niki Tsongas, Methuen will receive a 75% federal reimbursement payment for our losses. The extraordinary efforts of everyone who helped during the ice storm makes me proud to be the mayor of such a caring and cooperative city.

The 2006 flood literally tore apart the Riverwalk Park on Osgood Street. It re-opened late last year after almost two years of planning and construction. I was pleased to dedicate the new Red Winn Walking Bridge as part of the park, and I'm hopeful that Riverwalk Park will be a key component of the expansion of the Spicket River Greenway into Methuen. The bridge on Route 28 that was damaged as a result of the 2006 flooding also re-opened last year.

The safety of city employees is always an important concern. After a robbery was reported in city hall last year, I took the affirmative step of installing a new security system and cameras within city hall. I also implemented a new employee ID program and made other changes that modernized our city hall security infrastructure and provided substantially increased security for our employees and our citizens. I will continue to work with Chief Lavigne and others to insure that city employees have a safe environment in which to work.

My administration continues to look for ways to make Methuen a greener and more energy efficient city. Last year, Methuen's first solar powered lighting system was installed at Martin Park. This solar array was funded through a grant and was constructed in partnership with the IBEW electricians union.

Methuen also held its first electronics recycling day, which saved Methuen residents thousands of dollars by allowing them to dispose of environmentally hazardous electronic devices free of charge. Looking ahead, the city recently filed a grant application to conduct a wind survey with the Renewable Energy Trust, and I am pleased to announce tonight that the Trust will fund a wind survey on the site of the Methuen Ski Hill. This will hopefully lead to the construction of the city's first modern day wind turbine. And in an attempt to further improve our energy efficiency Methuen has joined Amesbury and Haverhill in seeking the services of an energy expert who will assist all three cities in benchmarking our energy utilization and then working with us to eliminate unnecessary and wasteful usage. That process will begin in March.

On the education front, two major projects that have been in the works for the past two years will make significant progress in 2009. Last fall, the city broke ground on the foundation for a new clubhouse/locker room facility at the football stadium. The old clubhouse is outdated and in disrepair. Quite frankly, our student athletes deserve much better. Given the city's financial position, I'm attempting to construct this facility using little to no city money. I'm relying mainly on labor and material donated by unions, companies and volunteers. This is not an easy task, but I am hopeful that our community will come together and join me in this effort. If you wish to help, please contact my office and we will gladly put you, or your donation, to work.

In 2008, the city and school department made significant strides towards the revitalization of the Methuen High School. Methuen was one of only three communities to receive a funding commitment from the Massachusetts School Business Authority for a high school revitalization project. A building committee was formed and KBA/Trident was hired as Methuen's Owners' Project Manager. An agreement for a feasibility study was also finalized.

We are now in the process of hiring designers and architects. Those professionals will be on board by April. Our schedule will produce a design within twelve months, with construction beginning shortly after design is complete. This Monday, I am asking the City Council to appropriate a two million dollar loan order so that initial funding can be put into place. I know that this is a large undertaking, but the condition of the existing school puts our accreditation at risk, and no longer provides the best environment in which to educate our children. The Methuen High School project is needed now, and I am very hopeful that the stimulus package just passed by the Congress maintains some funding for this critical project.

According to economic forecasts, 2009 is not going to be much better than 2008 was. In fact, it could even be worse. There is however, good news on the horizon. For years residents have told me that having an Olive Garden restaurant in Methuen was high on their wish list. With a new restaurant building to be constructed this fall at the Loop, that wish is set to become a reality. In addition to Olive Garden, Methuen Village at Riverwalk Park, a 91 unit assisted living facility in downtown Methuen, will open next month. Next door to Methuen Village will be a new ReMax Preferred office building as well and the return of Dairy Queen to the downtown after a twenty-year absence.

On Pelham Street, the new Irving Gas Station, carwash and Circle K convenience store will open this spring. A new Subway sandwich shop is also planned for the area. Moving to the Jackson & Swan Street area, a new CVS and bank is planned for that gateway intersection. The developers are hoping to break ground this spring. The new development in this area is very welcomed since it will replace the former Richdale store and empty warehouse space.

The new Clubhouse at the Merrimack Golf Course is set to open this spring. This will include a pro shop and restaurant as well as a much needed function facility. The Reserve, a new neighborhood of 43 luxury homes on the golf course, is also nearly complete.

On Burnham Road, Park Plaza – 28 units of market rate condos – is set to break ground this spring. And on Merrimack Street, veteran developer Joe Pappalardo is looking for approval for another 20,000 s.f. office building, which would be in addition to his successful first phase of this commercial/residential development.

Our neighbors in Salem New Hampshire recently approved the construction of a new Lowe's on Route 28. This will mean road widening and traffic improvements on Route 28 in Methuen, as well as what has been called a reverse TIF, allowing Methuen to tax a vacant parcel of parking space on this site as if a commercial development existed on it. This twenty-year deal means that in addition to the road improvements Methuen taxpayers will benefit from greatly increased tax dollars from this site. And on Wheeler Street, construction will soon begin at the former Zambino gravel pit. Toll Brothers plans to construct 240 units of age-qualified over 55 housing and related infrastructure improvements along Wheeler Street.

Methuen has been in need of a new main post office for many years, as well as an additional contract postal station to service our West End. We have recently announced the addition of a contract postal facility to serve West Methuen at the Galloway site, and I would like to recognize Councilor Steve Zanni for his efforts in this regard. Methuen still needs a modern postal facility, and thanks to the efforts of Senator Kerry and Congresswoman Tsongas, a Request for Solicitations is going out next month for a new downtown location. I understand that there are many interested developers, and I am hopeful that this important first step will lead to a modern and customer-friendly postal facility.

I would like to personally thank all of these companies for investing in Methuen at a time when other cities are seeing businesses close and experiencing record foreclosures. As mayor, I will do whatever is in my power to help these businesses thrive in our community.

On the topic of affordable housing, thanks to the hard work of our legislative delegation and our Community Development Department, we received a \$75,000 grant to study affordable housing options. This study is already underway. I, along with the City Council, recently established a Chapter 40B Audit Commission that will review and audit past and future 40B projects to ensure they comply with affordability standards and that the city's financial interests are protected. The Commission recently met with a representative of the state Inspector General's office to ensure that Methuen taxpayers have adequate tools to review financial data submitted by 40B developers. My thanks to City Councilor Joseph Leone for his hard work on this initiative.

Last year saw the appointment of new Police Chief Kathi Lavigne, who is doing a terrific job running our Police Department. Since she took the position Chief Lavigne has continually advocated for her Department, in particular asking the City to modernize our fleet of cruisers. I am pleased to announce that we will purchase, in the next thirty days, at least six new line cars to replace our aging fleet. My thanks to Patrolman's Union President Larry May, who has worked with us proactively on this issue.

This summer, Fire Chief Cliff Gallant will be retiring and a new chief will be named. I would like to thank Cliff for his service and I wish him well in retirement. I have recently established a Fire Chief Search Committee which will be interviewing candidates and making recommendations to me. I anticipate a smooth transition and hope to have the new chief on duty by July First.

Although economic development, adequate public facilities and financial stability are important topics, I know that many Methuen citizens are equally concerned about so-called “quality of life issues.” To that end, I find it important to balance the city’s policy agenda with matters that are vital to the quality of life of our citizens.

During the summer, Forest Lake is a refuge from the heat for many Methuen residents. Unfortunately, due to high bacteria levels, the lake has been closed to swimming for significant parts of the last few summers. Last year, I put a team together to conduct further testing, improve land management, increase filtration and enhance animal control. As a result, the lake was able to stay open for the remainder of the summer after the improvements were made. I will continue these efforts this year and look forward to working with the revitalized Forest Lake Association.

Continuing on the subject of parks and recreation, plans for the new park and boat ramp at the former Bea's restaurant site have been finalized and I expect construction work to begin this spring. Plans are also underway for the non-profit Trauma Intervention Program (TIP) to create and take stewardship of a "Healing Garden" at Henry P. Schruender Memorial Park on the Merrimack River. The garden will be a place for meditation and reflection. My thanks to Jayann Landry of T.I.P. and City Councilor Deborah Quinn, who have worked hard to make this possible. It will be the first Healing Garden in the area. Initial plans are also underway to construct a "rail-trail" along the abandoned rail line that runs through downtown Methuen.

Methuen is a city that is very much alive with culture and history. Last year I was happy to establish a summer concert series in historic Grey Court Park. The series was very popular and I look forward to doing it again this year. My thanks to Paul and Denis Webster Greene for all of their hard work on this concert series. The City's Artist of the Month program continues to thrive. I look forward to meeting Methuen's talented artists every month as they hang their work in my office.

We are close to finalizing an arrangement to move Methuen's historic collection into the former Central School building. Last year the need for better space was highlighted by the near destruction of a priceless Robert Frost attendance register. Luckily, the register was recovered before it was damaged and was displayed publicly for the first time ever.

Throughout my administration, I've looked for new ways to partner with the Nevins Library, which I believe is one of Methuen's greatest assets. Last year, the city and the library co-sponsored a reading and discussion by Cape Wind author Wendy Williams. We also worked together on the successful Methuen Reads campaign, and established the Grey Court Poets, Methuen's first and only poetry writing group. Last spring, I was happy to be part of Methuen's first Immigration and Naturalization Ceremony also held at the library, which became a Federal Courthouse for a day. This year I look forward to our continued partnership and the sponsorship of more great programs.

In the area of municipal finance, believe it or not, there is some good news. We have just set a residential tax rate that is the best in the Merrimack Valley. Unfortunately, Methuen also received a mid-year state local aid cut of almost \$700,000. This cut coming mid-year is particularly damaging. I have reviewed these numbers with my financial staff and have some important news to announce. Although cuts will need to be made, there will not be any layoffs of city personnel in FY09, which runs through June 30th. I value the work of the 364 dedicated police officers, firefighters, DPW workers and others who keep city government running 24 hours a day, seven days a week, and want to do everything I can to keep them on the job and serving the public. Furthermore, of the departmental cuts that will be made, the Methuen Senior Center and the Nevins Library will be held harmless. Although I believe all departments deserve full funding, I think that these would be the two departments which would suffer the most; possibly having to close their doors several days a week – leaving seniors no place to go, and school children no place to read, play and study. The remainder of the cuts will be announced in the coming weeks. I would like to express my deep appreciation to the Firefighters Union, who have worked in a proactive way to help with our budget problems and save jobs.

Although our City will be able to avert layoffs in FY 2009 through the imposition of dramatic budget cuts, FY 2010 is another story altogether. The Governor has announced that Methuen's cut in local aid will be as high as \$1.9 million, and we estimate that with that cut our shortfall will be in the area of \$2.5 million dollars. Methuen's Public Schools will be level funded by the Chapter 70 formula, which will, without federal stimulus money, force painful cutbacks in our educational system. The story is the same in all cities in the Commonwealth, with layoffs seeming to be the only alternative. We will do our very best to avert layoffs in FY2010, but we will not be able to do so without the help and cooperation of our municipal unions. We will develop proposals that will examine all facets of the municipal compensation system, and propose suspending some compensation outside of base salary for one year. We will develop those in cooperation with our workforce, in the hope that they share our goal of maintaining employment. These proposals will be filed in conjunction with our FY2010 budget.

It is, in my opinion, critical for all stakeholders in our system to realize that the current system of municipal finance is broken, and must be reformed. I believe that it is a fundamental deception to pretend that double digit increases in health care and pension obligations are sustainable, even absent the major recession we are in now. I respectfully ask the Legislature to consider health care and pension reform, and allowing Mayors and City Councils more direct control over these items that are the real budget busters.

The coming weeks and months hold much in the way of progress and possibility. I look forward to working with citizens and business people alike on the critical initiatives that I have outlined here today. Given the condition of the national and state economy, this year will hold many challenges as well. Painful cuts and tough decisions will need to be made. But as long as the state of our resolve remains solid, the state of our city will remain strong. I ask for your continued help and support this year. With it, I am confident that Methuen will continue to be the thriving community we love, believe in, and expect.

Thank you.