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# THE 15<sup>TH</sup> ANNUAL STATE OF THE CITY ADDRESS

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Monday, February 10, 2014  
Clarence “Du” Burns Council Chambers  
City Hall



The Honorable Stephanie Rawlings-Blake  
*49<sup>th</sup> Mayor of the City of Baltimore*



# THE 2014 STATE OF THE CITY ADDRESS

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Mr. President, Members of the City Council, Madam Comptroller, friends and colleagues in government, faithful clergy, citizens of Baltimore, thank you for another opportunity to report on the state of our city.

Today we commit to building upon our successes and finding solutions to the challenges we face. I would like to thank the City Council for your partnership and dedication to build a Better Baltimore—a Baltimore where every community can thrive free of violence; where every citizen has faith in government; where every person has access to a job and businesses can grow; where every neighborhood is vibrant; clean and without blight; and where every child receives a quality education.

I believe that building a better Baltimore based off of these principles is within reach, and we are making progress every day. That progress will affect our residents today as well as future generations of this city.

## **Building A Safer City**

I know there is a topic that is on all of our minds: Public safety. It is on the minds of citizens, businesses, and communities; the people in this room; and it is something that is on my mind every hour of every day.

I could stand here and spout off statistics that show crime has decreased in major crime categories, such as assaults, robberies, rape, even overall violent crime. There have been major gains to make this a safer City. But right or wrong, for better or worse, the measurement that many people judge us by is the homicide rate.

Two years ago, we were able to get our homicide rate down to its lowest level in a generation. This was a critical benchmark for both my Administration and the city's history, but I always believed we could do better. 197 murders was still 197 too many.

We put a lot of emphasis on numbers and stats. Year over year and year to date and month over month comparisons, and so on. It is sometimes the best tool that we have to measure our progress. However, these victims are more than just statistics to me.

They are not abstract figures. They are a loved one's son, daughter, mother, father, friend and neighbor. I can't tell you how devastating this is. No matter how or why they were killed, every life is precious and every death is a tragedy. Each life that is lost represents a future tragically cut short, a community that is shaken, and a family that is shattered by their loss.

To these families, please know I share in your pain, in your loss and in your grief. As mayor, I am not immune to the effects of this violence. Nor is the Council President or many of you in this room. Last year my 19 year old cousin JoJo was tragically murdered. In 2002, my brother Wendell was the victim of a vicious attack and almost died right in front of me, in my doorway.

I don't want anyone to go through the pain my family and many other families have experienced. There is no uncaring here, no complacency, no lack of urgency. We need to do better. Our citizens deserve better. And I will take all necessary actions to fight crime in this City.

I want to thank the men and women of the Baltimore Police Department for all they do every day. I know it is NOT an easy job. Thank you for all your commitment to our City and to the citizens of Baltimore.

### Violent Repeat Offenders

Together we have taken action to make our City safer. We are doubling down on our strategy of focusing on the most violent repeat offenders through strategic partnerships with our local, state, and federal agencies designed to target individuals tied to violence. This partnership is focused on high value targets, using quick acting, high-level investigations designed to remove the most dangerous offenders from our streets.

During the months of September and October we targeted, investigated, and arrested more than 100 violent repeat offenders and others tied to criminal activity. Moreover, at the beginning of this year, we intensified our efforts by assigning officers to monitor each violent repeat offender. In coordination with the State's Attorney's Office we ensure that each offender is held during bail review and prosecuted accordingly.

### Ceasefire

To enhance our focus on violent repeat offenders, we will implement a program that has seen success in several other cities. Operation Ceasefire will focus on violent repeat offenders and will work directly with community members and law enforcement agencies to make clear that the violence taking place in our communities must end now; that there will be severe and swift consequences for any future acts of violence; and that if you are genuinely sincere about wanting to change your life, we are here with the resources and support to assist you in that endeavor.

The program will also increase intelligence utilizing an interagency collaboration. The Police Department and the Sheriff's office will join forces with other local, state and federal agencies. Each organization will work in unison to restrict a criminal's freedom of movement and their ability to evade capture. This further represents our all hands on deck approach to reducing violence in this City.

## Zone Deployment

And as we keep our focus on the most violent offenders, we are also adjusting some of our tactics. With proactive policing rather than reactive policing, we will aggressively deploy officers and other resources into geographic zones that are experiencing increased violence.

At the beginning of this year we increased the number of enforcement zones from 4 to 17 throughout the city. These zones are patrolled by every officer, not just specialized units. Data tells us where these criminals are, and we are utilizing search warrants, drug buys, and undercover stings to apprehend these individuals before they commit violent crimes.

## Watch Center

Crime is not stagnant, and criminals are always looking to stay one step ahead of the police. We must continue to improve our ability to turn observations into actionable intelligence.

To that end we have deployed a staff commander to our city's watch center. The staff commander works with a team of analysts to gather and analyze intelligence, and help make decisions on when and how to deploy officers and respond in real time to violence.

## Implementing the Baltimore City Police Strategic Plan

The Baltimore City Police Strategic Plan has laid out a series of recommendations to improve the department and increase public safety. And they are hard at work implementing these recommendations.

## Modernizing the Department

On top of responding to our current needs, we are also working to modernize our police force.

Our department needs technology upgrades. For instance, right now officers are spending a good portion of their time completing archaic and time consuming paper reports—instead of being visible in the communities that they serve.

That is why we have begun making technological advancements to remotely take and process reports directly from the streets, so police officers can spend more time on their beat. We are also negotiating a new contract with the goal of making our police force more nimble and responsive, while reducing overtime and paying more competitively.

We need the flexibility to move our officers to the streets during peak times when crime is occurring. I look forward to working with the FOP to make this happen. I know this goal is within reach.

We just successfully negotiated a groundbreaking new contract with our firefighters. This is an example of how labor and management can work together to move the department and the city forward.

### Youth Connection Centers

Our crime fighting strategy must also include resources to prevent youth violence.

We know when our young people are on the streets at night that they are more likely to either become victims of violent crime or the perpetrators of it. Currently, our Curfew Center only operates during the summer months when school is not in session. However, additional resources are needed year round.

That is why we are proposing the creation of Youth Connection Centers for teens that violate the city curfew. The new Connection Centers will allow minors in violation of curfew laws to be transported to safe environments until parents or guardians arrive to pick them up. While there, youth and their families will have the opportunity to be connected with services that support and promote positive development.

There is more to come. I will continue to introduce initiatives to support our crime strategy, including programs for at-risk youth and additional inter-agency coordination targeting repeat violent offenders.

### Community Engagement

Building a safer Baltimore requires all of us to do our part. It is beyond the control of each of us if we act as individuals. Baltimore City Police cannot do it alone. City Hall cannot do it alone. Communities in crisis cannot do it alone.

I know that in order to foster the partnership between police and the community we must instill trust and confidence in our citizens. We are going to be tough on crime but not at the expense of our neighbors. We cannot allow citizens to feel mistreated in their own communities and expect those same communities to work with us to solve crimes. It just DOES NOT make sense.

Our increased outreach is working. Citizen complaints against the Department dramatically decreased last year. And, in 2013 we also achieved a 300% increase in citizens calling in to report helpful tips in fighting crime.

In order to aid in those efforts we will be providing additional funds to METRO CRIME STOPPERS for increased rewards to encourage more citizens to call and get guns off our streets.

Ultimately our success on the crime fight hinges on our ability to work together to promote the value of human life in every community.

There are many ways you can get involved and make a difference. For instance, you can join your Police Community Relations Council (every police district has a CRC and they meet monthly) or participate in a COP walk. And, it is so important that if you see something, or if you know something, you need to say something.

I am calling on all citizens to help. If we stay silent when a life is lost, we suggest that life has no value. And I know that we can do better.

Bottom line: loss of life; violence; and crime are all unacceptable. I want to assure citizens, that we will do whatever we need to do and make whatever adjustments we need to make along the way, to build a safer Baltimore.

## **A Better Government**

Building a better Baltimore means ensuring citizens have confidence and trust in their government.

We as political leaders must show we have the courage to lead. Our city does not grow if we turn a blind eye to fixing the problems that have existed for far too long. Do we put those problems off for another generation to address? Or do we lead and build the kind of government our citizens deserve.

When I first became Mayor, the city faced a historic budget deficit of \$121 million. We had to make some difficult choices to balance the budget. On top of that, the City confronted an additional \$165 million problem if left unaddressed. Reforming the fire and police pension system was very challenging but the result was necessary.

Also necessary is the work we do to improve the fiscal health of our City. When facing a \$750 million structural deficit, we crafted the City's first 10-Year Financial Plan. Through our actions taken to date, the City will close \$400 million of that deficit.

I have said it before... I do not sugarcoat. I do not sweep issues under the rug. Rather, I acknowledge our challenges, roll up my sleeves and continue to work. I vowed that I would be a Mayor that would not look the other way or kick the can down the road. I promised that this administration would give the taxpayers a government in which they could have confidence.

That is why, in 2011, I created the Billing Integrity Unit, which was tasked with finding and correcting tax errors that had existed for decades. Through internal audits we have identified and corrected well-documented tax credit errors. We have proposed a program to help make whole some of the citizens who experienced hardship due to these systemic errors.

We are also creating an automated system that will reduce human errors in the tax collection process. Moreover, this session, we introduced legislation in the General Assembly to use appraisals to better calculate these credits.

Similarly, water billing errors have frustrated residents for many years. I invested in a new billing system that has significantly increased customer satisfaction. We are also moving from manual meters to more accurate and reliable automated meters. These meters will produce more accurate billing for residents.

Lastly, we will continue working on a reliable speed camera program. We instituted this program at the request of communities who were concerned about drivers speeding through our neighborhoods. Accidents and fatalities were reduced while the cameras were in place, and our setbacks have been frustrating. Some citizens are questioning the integrity of the program.

I want to make sure you know that whenever my administration was presented with complete information about a faulty camera, those cameras were taken offline, tickets were voided, and refunds were issued.

We will continue to work with new technologies to provide a program with integrity that our citizens can have full confidence in. These problems were not created overnight.

Citizens understand that government is not perfect and from time to time mistakes will be made. We will continue to confront our problems head on and take action to ensure citizens have an effective and efficient government.

## **Building Our Economy**

### **Jobs**

In Baltimore we have many things to be proud of. We are creating local jobs; expanding small, local, and minority owned business opportunities; increasing housing availability; and building vibrant, green, and clean communities while continuing to eliminate blight.

Baltimore City is open for business and Baltimore has jobs!

This year alone, over 1,000 jobs will be available when Amazon opens its new fulfillment center in Southeast Baltimore. Over 1,700 jobs will be available at Baltimore City's own Horseshoe Casino. And we are proud of our local companies, which continue to grow and provide jobs in Baltimore—companies like Under Armour, Millennial Media, Groove Commerce, Pixelligent, and many others.

And let us not forget our direct construction jobs and indirect jobs through major projects. Over 4,200 jobs will come as a result of the Red Line. An estimated 15,000 construction,

permanent, and indirect jobs will come as a result of The Harbor Point development. And many more jobs will come as a result of our 21st Century Schools construction program. These are billion dollar projects—that's billion with a 'B!'

I want to thank the Mayor's Office of Employment Development, which works every day to promote local hiring and make sure our city residents are well informed of all city job opportunities.

### Growing Baltimore

We know that Baltimore is growing. Baltimore has added over 1,100 net new residents since 2011. We added over 4,200 units of new housing since 2010. Additionally more than 2,700 units are currently under construction, and more than 1,000 units are in the planning phase.

The City is working to address the increased housing demand of new residents, who are increasingly seeking to rent instead of buy. That is why last year I created the Apartment Tax Credit program to promote the construction of new apartments and the transformation of older, underutilized office buildings into new, vibrant apartments in Downtown and in seven targeted city-wide neighborhoods. The existing program is expected to generate \$40 million in new City revenue over the next 20 years.

Due to the overwhelming demand from neighborhoods and the business community, I am introducing legislation to create a 10-year Apartment Tax Credit, which can be used anywhere in the City. The program's expansion creates incentives for projects in areas that are currently ineligible. And I am keeping my commitment to reduce residential property taxes, 20 cents by 2020!

To date, we have reduced the effective property tax rate by 11 cents for all owner occupied homes, which means the average homeowner saw \$220 in savings on their property tax bill.

### Small, Local, Minority and Women-Owned Business Growth

Small and local businesses are the backbone of our City's economy. Successful small, local, minority and women-owned businesses transform neighborhoods, expand opportunities, create jobs, and grow our city. I am proud of the leadership and transformational work of the Mayor's Office of Women and Minority Owned Business Development.

In order to address disparities and to develop an inclusive economic strategy, I assembled a group of leaders and experts on this subject. In April, the Mayor's Advisory Council on Minority and Women-Owned Business Enterprises released its report, A New Day, A Better Way.

This landmark report is a roadmap, which, once implemented, will help transform the City's 35 year old MBE/WBE program to accelerate growth, and build capacity for the region's minority and women-owned businesses.

In October, I announced the Mayor's Coalition on Supplier Diversity and Inclusion, and have given this Coalition oversight responsibility for implementing the Advisory Council's recommendations. In keeping with my vision to Grow Baltimore, my ultimate goal is to plant the seeds, and to clear a path to create a new generation of minority and women-owned firms that will someday have annual revenues of \$100 million or more.

I know too often small businesses find it difficult to access capital with the flexible credit terms they require. This is why last year, I launched BaltimoreMICRO. This microloan program offered through the Baltimore Development Corporation offers loans up to \$30,000. The program is working! Over \$150,000 has already been committed to nine small business owners throughout the City.

I am proud to announce the continuation of this program for its second year, with matching funds from our partners at the Maryland Department of Business and Economic Development.

In order to grow Baltimore, we must continue to be forward thinking and provide innovative programs. Therefore, I have charged the Baltimore Development Corporation with conducting an assessment of the services provided by our Small Business Resource Center. We want to ensure that the resources we are providing meet the changing needs of small business owners.

We are setting the bar high in Baltimore! We want companies that are built to last and are here to stay! I am very excited about what we are doing for small, local, minority and women-owned businesses.

We won a \$900,000, 3 year grant from the U.S. Department of Commerce to create a Minority Business Development Center right here in Baltimore City. The first of its kind in Baltimore, we were the only municipality in the country to ever receive this grant. Our Business Center will focus on increasing the size, scale and capacity of successful minority business enterprises. Please join me as we celebrate the grand opening of this wonderful opportunity for Baltimore in March.

I am confident that the work of the Advisory Council, the establishment of a new Business Center in Baltimore and the enhancement of the Small Business Resource Center, will build Baltimore into a mecca for entrepreneurs.

### **Blight Elimination**

The budget I will submit to the council will continue investments in innovative programs.

Programs like our Vacants to Value initiative. When I first became mayor, my charge to Housing was clear: Get more of Baltimore's vacant and abandoned properties cleaned up and redeveloped more quickly, efficiently and economically. Three years later Vacants to Value is a signature initiative that tears down dilapidated properties, and takes absentee landlords to task for their irresponsible and reckless behavior.

To date our efforts have spurred more than \$85 million in private investment in struggling communities throughout the City. We have issued more than 1,500 fines to vacant building owners who simply aren't doing enough to fix or sell their boarded properties. We have filed over 1,000 court cases that force vacant properties to auction so that new owners who are eager to rehabilitate them are given the chance to do so.

We have demolished 800 vacants throughout the City. We promoted the rehabilitation of more than 1,100 previously vacant buildings, with nearly 500 more under construction. And more than 1,000 vacant buildings are in the hands of responsible people who are redeveloping them.

In November, we announced our new Baltimore Homeownership Incentive Program (B-HiP). Over the past three years, this renewed and expanded initiative provided nearly 1,500 homebuyers with financial assistance totaling almost \$12 million. Of these homebuyers, 30 percent are new to Baltimore City.

The majority of our homeowner incentives went to current City residents, many of whom were purchasing their first home.

Vacants to Value is taking action to make our communities better. We will continue to demolish vacant and unsafe structures and hold absentee landlords accountable across our City.

### Green, Clean Neighborhoods

We will also continue to ensure our neighborhoods are cleaner.

The strength of Baltimore is our neighborhoods. We have seen the benefits of mechanical street sweeping and beginning this Spring, mechanical street sweeping will expand into every community.

Also, this spring I will launch the Green Pattern Book, developed by the Office of Sustainability as part of the Growing Green Initiative. The Growing Green Initiative is an interagency effort which includes DPW, Housing, Planning, Department of Recreation and Parks, and many others. This Initiative promotes the creation of community spaces to mitigate the negative impacts of vacant properties and sets the stage for growing Baltimore.

Through these continued efforts, we will build a Baltimore that is safe, green, clean and free of blight. That is our mission in 2014.

## **Building Better Schools**

I know building better schools and providing a quality education for our youth is the key to attracting families and keeping families in Baltimore City.

In the late nineties, the Baltimore City Public School System was failing financially and failing our children academically. My father, who at the time was the Chairman of the Appropriations Committee in the House of Delegates, vowed to do something!

He was one of the leading architects of the City-State partnership established in 1997 which the School System still operates under today. To say that this partnership was controversial would be an understatement. Those debates extended to the City Council chamber, where I am standing today.

As a young Councilwoman I defended my father's plan—not because he was my father, but because it was the right thing to do for the children of Baltimore. I know that as he was nearing the end of his life he was at peace. He was at peace because of the contributions he made to his community, to the city that he loved and, for future generations of city children.

As a child who grew up in Poe homes, my father dedicated his life to making sure all citizens were provided with better opportunities. In describing my father, Congressman Elijah Cummings stated, “A politician worries about the next election. A true statesman worries about the next generation, and children yet unborn, and that was Pete Rawlings.”

As his daughter, I know that I have to continue the fight for better schools for our children.

Our City school buildings are the oldest in the State. Many were built in the early part of the 20th century, And some are still standing from the 19th century. Leaking roofs, leaking foundations, unreliable heating and cooling systems, unusable bathrooms and water fountains, have become the norm in our schools.

It is a billion dollar problem that for many years all people could do was point fingers. The city said it was a state problem. The state said it was a city problem. The school system said it was both of our problems.

When I came into office, I took action. I understood that in order to build a better school system, we had to grow beyond the tired old arguments of the past and get something monumental done for our children. I put together a workgroup and developed creative solutions that required very difficult choices.

With the help of the City Council, we levied a controversial 5 cent tax on beverages that the industry fought bitterly. Using those resources and others, we pieced together more than \$20 million in new funding. Working with our partners we challenged the State and the school system to follow suit.

This resulted in a \$60 million agreement approved by the General Assembly which we leveraged into a \$1.1 billion investment in school construction and renovation. An amazing feat in any economy—\$1.1 billion for Baltimore City Schools. This IS A BIG DEAL!

This is the most significant legislative achievement for the City of Baltimore in modern history. We are building 15 new schools and significantly renovating at least 30 additional schools. I cannot tell you what it means to me that future generations of children will finally see new schools, renovated schools, and first-class schools right here in Baltimore City.

Because of this remarkable accomplishment we can build the school system our children deserve.

The City worked in collaboration with the Maryland Stadium Authority, the school system and the state-run Interagency Committee on School Construction, to enter into a memorandum of understanding that will set the framework for working together. Included in the MOU is language to ensure that we provide high quality recreational opportunities, that are well-coordinated with the school construction plan.

The tremendous \$1 billion investment in school facilities presents a unique opportunity to drive improvements not only for the schools, but for the surrounding communities as well.

My administration will be leveraging this historic investment with our own capital resources to coordinate interagency planning efforts in neighborhoods. That is why I am funding two additional community planners.

The Department of Planning will lead this effort in working with neighborhoods, advocates, the school system, and city and state agencies.

## **Conclusion**

Anyone can criticize and tear something down, but it takes leadership to build. And that is what we are doing!

We are building a better Baltimore for today AND for future generations.

Mr. President, Madam Comptroller, members of the City Council and community leaders, I am pleased to report that while we continue to face many challenges, the state of our city is strong and is getting stronger every day.

Real progress requires tough choices. We are expected to be bold, to be honest and to be courageous in our actions.

We will build a safer city.

We will build a stronger government.

We will build a city with jobs and opportunity.

We will build a City without blight.

We will build a cleaner city.

And yes, we will build a world class school system.

To the citizens of Baltimore, I am honored to serve as your Mayor. Join me in this coming year as we work together to build a Better Baltimore.

Thank you and God bless this great city.