

- Thank you, Lisa, and good evening.
- Mayor McGovern, Councillors, distinguished guests, and fellow residents... and of course, my wife Cheryl, son Louie, daughter Kristen, and her boyfriend Vic. Thank you for being here. I am pleased to report that we have made significant progress since my last address.
- 2 years ago, I was sworn in as City Manager, and it is a great honor for me to deliver my second State of the City address. I want to thank the City Council for placing your trust and confidence in me and for providing me with the opportunity to serve as City Manager. You work tirelessly to make Cambridge a better community.
- The City has been hard at work on programs aimed at improving the lives of our residents.
- Our success is a direct result of the way in which our departments, leadership, and staff work collaboratively with our elected officials and the community to make Cambridge the unique and special place that it is today.
- I am fortunate to have a strong and dedicated team to carry out the policy initiatives of the City Council and the day-to-day operations that deliver the high-quality City services our community expect.
- There are many department heads and City employees here tonight. I want to personally thank each and every one of you for your dedication to the people of Cambridge, for your passion for the work you do, and for your commitment to making Cambridge the best city that it can be.
- As City Manager, ensuring that we provide excellent customer service is a top priority of mine. Many of the initiatives I will discuss tonight are aimed at building upon our successes. And some are aimed at areas where we can improve and provide better service.
- I believe that the role of government is to help all people, but especially individuals and families in our community that are the most vulnerable and most at-risk. This is a responsibility that my administration takes seriously. I also know that the City cannot solve every problem or provide every service on its own. Cambridge is fortunate to have so many incredible community partners and I am so pleased that we will provide direct funding support to nonprofit partners through our Community Benefits Program beginning in 2019.
- To all our faith leaders, nonprofit leaders, university partners, and volunteers who make our community so amazing: thank you. You are a critical partner in the City's mission.

- Part of providing excellent service is ensuring that we are reaching residents that we do not traditionally interact with. We want all residents to know what services and programs the City offers, and how they can take advantage of them.
- Last week, I held my first City Manager's Action Forum in The Port neighborhood. In planning for this event, I brought together neighborhood leaders, nonprofits, and the faith community to help us figure out how best to structure the event. At this event, we brought City services – like parking stickers, fuel assistance applications, career counseling, library cards, and flu shots, as well as many informational tables directly to our residents.
- I am looking forward to bringing this type forum to other parts of the City.
- Providing quality and responsive services to the public begins with having a trained and skilled workforce.
- Our leaders and managers, have a responsibility to create environments that support Equity and Inclusion for all employees and residents. In order to achieve this, we need to learn new skills, understand the historic factors that created inequity and exclusion, and continually educate ourselves about people who are different from us.
- Our Equity and Inclusion Training Initiatives over the past year has focused on learning opportunities on identity awareness, structural racism, and leadership expectations.
- Our personnel department, along with the LGBTQ+ Commission, created and worked with Fenway Health to deliver to our employees a three-hour Sexual Orientation and Gender identity training. Additionally, we are in the process of evaluating proposals for consultants to collaborate with us on our equity and inclusion based Workforce Plan that will focus on Recruitment, Hiring and Promotion. These are just a few examples of how we are building staff capacity so that we can respectfully serve our residents, maintain a welcoming and inclusive workplace, and lead and mentor a diverse workforce.
- I am proud of how our City departments work together to efficiently and effectively provide the services that matter to the community.
- We are not afraid to try new approaches or to think outside of the box, and we are not afraid to have difficult conversations with the public on important issues facing the City.
- We have had several difficult conversations with the community this year, including discussions about Inman Square. I believe listening to the community is a critical part of local government. I never want to have any segment of the public feel that they were not heard, or that their voices were excluded from the decision-making process.

- I know that the Inman Square redesign process was a very difficult one, and it has never been my intent for this project to divide the City. But in this case, we firmly believe that the City's plan is the best viable option.
- Transportation is a key element of what makes Cambridge the vibrant and lively city it is. No matter the method people use to get around Cambridge, our residents and visitors need safe streets. While we have long been a leader in improving bicycle and pedestrian facilities and safety, significant challenges remain.
- As a City, we have committed to taking the steps necessary to eliminate all traffic fatalities and serious injuries.
- Consistent with our commitment to Vision Zero, we are continuing to move forward to make our streets safer for all users—particularly those who are most vulnerable such as pedestrians and cyclists—while making sure that we have consulted with our local communities about the best way to implement these improvements.
- We recently rolled out new separated bike lanes on Massachusetts Avenue between Central Square and MIT, and are about to start the redesign for River Street. We will be looking at providing a separated lane that connects with the existing cycle track on Western Avenue.
- We have also committed to updating the City's bicycle plan so that it lays out the safest network for cycling and takes into account the latest input from stakeholders.
- I will always push staff to look at different options or discuss alternative solutions, or have more dialog with the community so that we can come up with the best possible solutions. As part of a new effort with Bloomberg's What Works Cities Initiative and the Center for Government Excellence at Johns Hopkins University, we are collaborating to build staff capacity and skills to use data and evidence, as well as deepen stakeholder engagement, to make more informed decisions, deliver more effective services and programs, and improve our residents' lives.
- A State of the City address is an opportunity to celebrate accomplishments. But it is also an opportunity to bring the community together to reaffirm our commitments to our residents.
- During my first State of the City address in February 2017, we were in the beginning stages of trying to figure out what impact our status as a Sanctuary City could have on the federal funding the City receives.
- I know that there is still considerable concern and anxiety among our residents, especially members of our immigrant community, about what federal policy decisions mean for them, their families, their friends, or their neighbors.

- I want to be as clear tonight as I was in 2017; we are a Sanctuary City and will continue to support and promote the safety, health, and well-being of all our residents, regardless of immigration status.
- Cambridge is and will remain committed to being a welcoming City for all.
- For the past year, the Commission on Immigrant Rights and Citizenship, in collaboration with CLSACC, has been holding Immigrant Legal Screening Clinics. To date, these clinics have served immigrants from over 48 foreign countries.
- I was proud to add permanent funding for this program to the FY19 budget to continue these critical clinics moving forward. With the support of the City Council, we will continue to look for ways to support our most vulnerable populations.
- As City Manager, I have been fortunate to work with 2 highly collaborative Mayors and two incredibly supportive City Councils. Without the open and honest partnership that exists between the Council and the administration, we would not be the effective government that we are.
- During this past year, staff and I have worked hand in glove with the Mayor and the Council on many vital issues, and I have worked hard to keep the Council informed of emerging issues and public safety concerns.
- Following the City Council's final vote on the Surveillance Ordinance on Monday, Cambridge became the first city on the east coast to pass such a law that ensures the accountable and transparent use of surveillance technology.
- This new municipal law will balance the public's right to privacy with the City's need to promote and ensure our resident's safety and security.
- It was a long journey to create the final version of the ordinance, but we were able to come to an agreement because of the positive relationship we formed with the ACLU. I want to thank the Mayor, City Council, City and Mayor's staff, ACLU, and residents who dedicated significant amounts of time to this process.
- This past April, I established an opioid working group to build upon the 2017 opioid report issued by then Vice Mayor Marc McGovern. This talented working group is charged with using data to identify best practices to addressing the opioid crisis locally, and with sharing information about the chronic nature of addiction.
- In early 2019, the task force will issue its final recommendations. I want to thank Commissioner Bard and Dr. Assaad Sayah, the Chief Medical Officer for the Cambridge Health Alliance, for leading the task force. I appreciate the work that the members of the task force have put into this effort.
- This term, the Council has clearly stated its desire for the City to do even more to support our Small Businesses. In November, the City began a small business recycling program for approximately 130 businesses. This citywide program is free, and we are happy we can assist in defraying some back-end costs.

- Our Small Business Challenge, which provides one-time grants for well-designed projects that will improve our commercial areas, was also expanded this year.
- To help support retail in the City, Community Development published a District Needs Assessment for Central Square, completed a Phase I survey of the Inman Square area, and hosted its first Small Business Summit. Additionally, the City is hosting Small Business Open Houses in each business district.
- I want to congratulate the Community Development Department on receiving the International Downtown Award for Planning Excellence. This award recognized the high quality of the City's Retail Strategic Plan.
- Finally, in anticipation of the Inman Square street redesign, we are discussing potential construction impacts and developing a construction mitigation pilot. City staff has already met with Business Associations, and local businesses to talk about impacts and mitigation strategies. A pilot program was launched in September, and I am pleased that we are looking to expand elements of this pilot to Harvard Square next year.
- As someone who grew up in East Cambridge, it is wonderful to see the addition of new open space in the form of three new parks being added to the neighborhood.
- Construction on the first 2-acre park is expected to begin in the spring of 2019, and it will be dedicated to Councillor Timothy Toomey once completed.
- Since the last State of the City, the Council and the administration have come a long way in reshaping the vision for the Foundry Project. Once completed in 2020, it will be a self-sustaining center for creativity and collaboration for the Cambridge community with a mix of arts, cultural, educational, fabrication and commercial activities.
- This project is an excellent addition to not only the East Cambridge Community but also the City. I want to thank the Cambridge Redevelopment Authority for their leadership and partnership on this project.
- With the world-class institutions of higher education and the science and tech businesses located in our City, we want to do everything we can to ensure that all young people, particularly our underserved students, are prepared to take advantage of the incredible opportunities in their home city.
- For the past year, Superintendent Salim and I have been chairing a STEAM Advisory Committee comprised of an impressive group of leaders. I cannot thank the participants enough for making the time to work on this endeavor.
- Building upon the City's current STEAM Initiative, which was created to enhance and expand students' access to quality learning experiences from birth to adulthood, we announced as part of the FY19 Budget a blending of the strategic goals of the STEAM Initiative, with the vision of the Cambridge Public Library to serve as a hub for STEAM activities.

- With an investment in new space at the Main Library and new personnel, this initiative is advancing the collective work of the Department of Human Services, the Library and the Cambridge Public Schools by engaging families and residents in quality STEAM learning experiences.
- Our STEAM programs will open pathways to opportunities for Cambridge residents.
- August marked the first anniversary of the swearing in of our new Police Commissioner, Dr. Branville Bard, Jr. During his short time here, he has demonstrated and delivered on his strong leadership and his commitment to be in the community.
- Earlier this year, the Cambridge Police Department formed a new Family and Social Justice Section, which is structured to provide specific services to members of the community who would be better served through a “social justice approach” than what could be afforded to them through a conventional criminal justice approach.
- As part of this team, the Cambridge Police Department added a new Director of Clinical Support Services, and a new part-time Recovery Coach.
- With the Department’s newly created Procedural Justice Office, believed to be the first of its kind in the country, the Police Department is demonstrating its commitment to increasing transparency, accountability, and introspection.
- The Office of Procedural Justice will be focused on proactively monitoring data relating to police-citizen interactions for signs of possible racial profiling, racially-biased policing, or use of force incidents as well as evaluating the Department’s compliance with statutes, ordinances, and regulations aimed at mandating accountability.
- I am proud of the thoughtful steps that the Cambridge Police Department has taken to review the findings associated with an arrest that generated national attention last April.
- By hiring Chief Justice Roderick Ireland, the Cambridge Police Department is showing its commitment to conducting a thorough, complete, and transparent internal review process. We look forward to sharing those results with the public once they are finalized.
- The Cambridge Police are also continuing to make great strides in supporting survivors of sexual assaults and domestic violence. This year, the Department organized the city’s first Sexual Assault Response Team, which regularly convenes to network with partners, review best practices, and identify gaps in services to create a seamless process for survivors as they navigate their way through the criminal justice system.
- Following a concerning number of gunshot incidents in The Port and surrounding neighborhoods this past spring, the Cambridge Police formed a new task force of more

than a dozen officers designed to prevent firearm violence. Their efforts helped reduce gun violence 78% in the summer 2018 versus the spring 2018.

- The Cambridge Police Department is evaluating learnings and best practices from the Task Force and will be seeking to incorporate these elements into their plans for The Port neighborhood next summer.
- Also, our Department of Human Services is working with The Port community, clergy, and city agencies to provide programming at Clement Morgan Park and in other areas of The Port next summer.
- Yesterday we celebrated the opening of a Substation in Central Square. The lack of a permanent police presence in Central Square is a concern the community has been voicing.
- The new Substation was possible because of the strong support received from our community partners, notably the Cambridge Savings Bank for leasing space to the City, and the Central Square Business Association for their ongoing collaboration with City staff.
- And I want to thank the Police Department for permanently assigning and deploying the officers of this substation in advance of its opening. It has been great to see the officers in Central Square since late summer.
- Finally, I believe the make-up of our public safety departments should reflect the diversity of our City, and our young people should see a clear pathway for them to pursue public safety careers in their home city.
- I tasked the Police Commissioner and the Personnel Director with identifying ways in which we could bring residents who have grown up in Cambridge into policing. Tonight, I am excited to announce that starting in the Fall of 2019, the Cambridge Police will be introducing a new Cadet Program.
- This program is designed for Cambridge residents between the ages of 18-23 who are interested in pursuing a career in policing. The program will offer on-the-job and classroom training.
- Cadets will make a two-year commitment, and will receive a salary, benefits and vacation time. This program will offer another pathway within the civil service system for Cambridge residents to become Cambridge Police Officers.
- As part of my FY20 budget recommendation to the City Council, I will be seeking approximately \$1 million in funding for this new initiative.
- Our police, fire, and emergency services are second to none. I want to say thank you to our men and women in public safety positions.

- In addition to encouraging and preparing residents for public sector jobs, we are looking for ways to provide support and skills to residents so they will be ready to access the job market in Cambridge.
- In November, the City's Office of College Success celebrated its first three years of progress. The program has been increasing support to low income, first-generation college students by hiring an additional coach to work directly with students. This year alone, over 200 students who graduated from CRLS are receiving individualized support at Bunker Hill Community College and UMass Boston.
- Also, the Office of Workforce Development has launched a new pilot program, Next Up, for Cambridge residents, age 18-24. This program is for young people who have a high school credential but are not enrolled in college or a training program.
- The young people being served are either unemployed or working in dead-end jobs and needed help planning their next step. Next Up is providing paid internships, skill-building workshops, career coaching, and hands-on opportunities for exploring different careers for thirteen young people enrolled in the pilot.
- A critical way we are helping our young people is by investing in our public education system. I want to thank the City Council for their support of the Cambridge Public Schools.
- I also want to thank the City and school finance teams for all of their work during the year. During the budgeting process, I meet regularly with the Superintendent and the Mayor to discuss the needs of our school system. As a result of this collaboration with the Mayor, School Committee, and City Council, I have recommended for two straight years significant increases in tax-supported funding for our schools. This funding increase is supporting educational programming and initiatives. And as you know, we are in the midst of an impressive school rebuilding program.
- If you have recently driven down Cambridge Street, you can see the fantastic progress on the new Schools and Community Complex. When completed in September, this \$159 million project will not only be the City's first significant Net Zero emissions building but will be the second of three school complexes the City is constructing.
- In fact, the planning for the Tobin School is currently underway. In total, the City is investing over \$500 million in our 3 new school facilities.
- The reason the City can undertake these significant projects is because of the fiscal management of the City, the financial policies adopted by the Council, and because of our AAA bond rating, which allows the City to finance major capital projects at lower-interest rates, saving our taxpayers millions of dollars.
- Something I am proud of is the partnership that exists between City Departments and the School Department in making sure we are supporting all our students.

- In October, the City Council and School Committee approved funding to establish a free breakfast program in all elementary and upper school buildings. By providing the opportunity for free breakfast, an additional 3,100 Cambridge Public School students will now qualify for free breakfast. This program launched in November, and I want to thank Mayor McGovern for his leadership on this initiative.
- Also, we recognize that hunger is an impediment to learning and development and are now offering free breakfast to approximately 150 children who attend our DHSP preschool programs. This initiative has been a priority of both the Mayor and the Council.
- As part of this year's expansion of the City's Early Childhood efforts, we have provided full scholarships for 55 low income 3 and 4-year-olds to community-based pre-schools.
- Looking to the future, we expect to enhance our work in several areas. We will be engaging with the Council and School Committee on a longer-term plan for expanding affordable preschool for the city's 4-year-olds.
- Our Community Schools offer high-quality enrichment classes for children in JK thru 5th grade in each Cambridge elementary school, as well as 7-week summer camps.
- Between these programs, approximately 1,400 children are served. We have added an additional \$100,000 in scholarship money to enable the Community Schools to increase the depth of scholarships awarded to families as well as provide scholarships to more low-income children and families.
- I hope the various examples I have mentioned, demonstrate how the City and the Schools are working together to improve outcomes for our youth.
- Another important area where we are working hard to improve outcomes is sustainability.
- Through the Net Zero Action Plan, we are investigating a mix of incentives and requirements to reduce energy consumption, emissions, and costs from existing buildings. New municipal buildings are committed to achieve Net Zero-Ready as Green Buildings. Cambridge will continue to work towards its commitment to reach carbon neutrality by 2050.
- I was pleased this week to announce the appointment of a new Advisory Committee on Climate Resilience Zoning, which will work through resilience elements raised during the Climate Change Preparedness and Resilience planning, Envision Cambridge, and through the Brown Petition.
- Finally, the City is renewing the Cambridge Community Electricity Program that has saved Cambridge participants \$5 million on their electric bills since its launch in 2017. The program will relaunch in January and will include a Standard and a 100% Green

product. Additionally, we hope to be able to leverage our renewed community aggregation to make direct investments in solar projects in Cambridge.

- As you can imagine, I cannot make a State of the City speech without talking about finances. I have already mentioned the importance of our triple AAA rating, and I want to just briefly highlight a few key points about this year's finances.
- The FY19 Adopted Budget increased by 5.2% over FY18. This is higher than our average increase in year's past and is due to increases in staff, and resources, as well as new initiatives, particularly in the areas of Human Services, Schools, Community Development, and Public Safety and reflects the priorities and the day to day needs of residents and taxpayers.
- We have created 25 new full-time positions including six in the Police Department, and two that are directly responding to the Council priority of creating and preserving affordable housing.
- Even as we continue to increase services and programs for the public, the City, for the 6th consecutive year, has reduced tax rates for both residential and commercial taxpayers.
- The continued prudent use of the City's reserves has allowed the City to lessen the tax burden of our taxpayers while maintaining fiscal flexibility.
- The reality is, our commercial taxpayers are a crucial part of the City's ability to control our residential tax bills and keep them affordable.
- When the last significant parcel in Kendall Square became available for development, we were so fortunate that MIT became the winning bidder for the Volpe Site.
- Because of our organizations working relationship and our ability to engage in meaningful dialog, this incredible development project will benefit the City and the region for decades to come.
- Kendall Square's economic strength and its international leadership in high tech and life sciences research makes Cambridge the envy of cities globally. But we must be mindful that the competition for companies is stronger than ever. By having one of the lowest commercial tax rates in the area, only strengthens our position.
- Because of our financial management, we can, when appropriate, make midyear recommendations to the Council to add projects to our five-year capital plan.
- This year, we are funding the design and construction of a new universal design playground at Danehy Park. When completed in 2020, this playground will be totally accessible for children of all abilities and will be the first of its kind in Cambridge. A focus group and community process on this project will begin in Spring 2019. We are also

adding Fire Station Rehabilitations to our bond schedule, beginning with Fire Headquarters which will require a \$25 million appropriation.

- I want to thank the Chair of the Finance Committee and the entire City Council for their leadership and active participation in the City's budgeting process.
- It goes without saying that Affordable Housing is the top priority of the City Council, and addressing affordability is critical strategy in maintaining the diversity of our city.
- In FY18, I committed to allocating 20% of building permit revenues for affordable housing directly through the City's capital budget, which totaled \$2.8 million. As part of the FY19 capital budget, this revenue allocation resulted in the appropriation of \$3.5 million to the Trust to finance the creation and preservation of new affordable housing.
- Tonight, I am announcing that I will be recommending to the City Council that beginning in FY20 we increase the allocation to 25% of budgeted building permit revenue to the Affordable Housing Trust moving forward. This proposed change is the direct result of the input I have received from the Co-Chairs of the Housing Committee, the Council, and the Affordable Housing Trust.
- In September, we committed \$10.2 million in Community Preservation Act (CPA) funding to the Affordable Housing Trust to finance the creation and preservation of new affordable housing. To date, we have been able to leverage our CPA funding to secure commitments for \$500 million from others for affordable housing efforts.
- 2 months ago, we celebrated the creation of more than 160 new units of affordable housing funded by the Affordable Housing Trust, including a groundbreaking on the largest new affordable housing effort in more than 30 years, a 98-unit mixed-income development at 671-675 Concord Avenue.
- And we are continuing to work with the property owner of Fresh Pond Apartments and the Affordable Housing Trust to develop a preservation plan for that property.
- Additionally, Cambridge has joined the 13 other communities that are a part of the Metro Mayor's Coalition's new regional housing partnership. The partnership will work to address the housing needs of the Metro Boston Area, with a focus on housing production, diversity, cost, location, design and increasing stability for the region's residents.
- Through FY19, the City has appropriated a total of \$184 million for affordable housing creation and preservation. Since FY05, the City has created 1,490 units of affordable housing and preserved an additional 1,205 affordable units throughout Cambridge. In the FY19 Budget, the City is dedicating \$24 million to address housing and homelessness from a variety of sources.

- It is important that a healthy balance between residential and commercial development continues so that we can ensure new revenues for affordable housing efforts and maintain affordable homeowners' real estate taxes. For many of our seniors, our longtime residents who are cash poor and property rich, controlling tax bills allow them to remain in their homes.
- No City in the Commonwealth is as committed to affordable housing as Cambridge is. Approximately 15% of our total housing stock is affordable housing subject to long-term deed restrictions.
- Our affordable housing efforts have helped thousands of residents with some amazing results. As we move forward, we will examine how local option taxes from Airbnb and recreational Marijuana sales can serve as a potential revenue source for our affordable housing efforts.
- Much has been accomplished, but there is more to do.
- And as we continue our affordable housing work, we must also keep in mind our homeless. I want to thank Mayor McGovern for his leadership on this issue.
- In response to the concern for individuals and families experiencing homelessness in our City, particularly during the winter months, the city supported and established a seasonal Warming Center located in the basement of the Citywide Senior Center. The Warming Center, now in its second year, offers an overnight resource between December and mid-April. Last year, over 500 individuals who were not able to use conventional shelters utilized the city's Warming Center.
- I want to thank the Department Human Services, especially the Senior Center staff, for all of their work to make this a reality. I also want to thank our partners - the Cambridge Police Department, the Public Works Department, and BayCove/CASPAR, for their collaboration and partnership with the community to make this shelter a success.
- In June, it was a great honor to celebrate the ribbon cutting of the new YWCA Cambridge Family Shelter. It is rare these days for a City Government to invest millions of dollars to purchase, design, and construct a family shelter. And I could not have been prouder of the City for funding and building this new 10 unit family structure.
- I believe this project is an example of what makes Cambridge a special place...the City, the State, and the Community coming together to support our residents.
- These are just two examples of the many programs that the City is engaged in to assist our homeless and at-risk populations.
- A key City partner in so many of our social services efforts is the Cambridge Public Health Department. They work closely with Cambridge Police and Fire, the School

Department, and DHSP. I am incredibly proud of the department for achieving national accreditation this past August.

- Only 200 local health departments in the United States currently meet the rigorous national standards for delivering quality programs and services to the community.
- I want to congratulate the entire public health team for this accomplishment.
- Before I close, I want to thank the dedicated members of my City Manager's Advisory Committee. This group has met quarterly since 2017 and has helped me think through solutions to address critical challenges facing the City.
- Tough issues require sacrifice and compromise. We need residents to weigh in on the decision-making process. We need residents to serve on our many boards and commissions to provide input. And we need residents to take an active role in helping us shape the future of our City.
- To the City Council, thank you for placing your trust and confidence in me and for providing me this opportunity. As a lifelong resident of Cambridge, there has been no greater honor in my life than serving the City that I love.
- To Lisa Peterson, my staff, and all City employees, thank you.
- With that I say goodnight.

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