

State of the City, February 2, 2023
Mayor Andrew J. Nowick

Good evening, everyone. Here are my thoughts about the State of the City:

The City is resilient. Seventeen months after the remnants of Hurricane Ida slammed into our City, we have largely recovered. Our roads have been repaired and repaved. Our storm drains and culverts have been rebuilt. Extensive work in Swan and Ely Creeks have cleared debris, stabilized banks, and added structural support in key areas. Scores of trees and thousands of native plants been planted along our creeks and in our parks. \$450k was included in the federal appropriations package for our Music Mountain Woodland Restoration and Stormwater Management Green Infrastructure Project. Eighty-seven people came out in April to haul 6,000 pounds of debris from Swan, Ely and Alexauken Creeks. The City was accepted into the NJ Resilience Accelerator Pilot, which provided important resources to the newly established Resilience Team. Neighbors continued to help neighbors. New businesses have opened in revitalized spaces. Lambertville has been awarded grant funding to hire a planner to help develop a Resilience action plan. The Prall Trust generously paid permitting fees for Ida-related construction. Two properties are in the final process of being acquired by Blue Acres; another three properties are in the offering. Residents continued to rebuild their lives. The Resilience Team has been awarded a grant to create a walking tour, with an augmented reality component, of six key flood locations. Mechanicals have been raised in houses and basements have been filled with gravel, their windows replaced with flood vents.

And while we have largely recovered, we note the City is substantively altered. Many residents have left, some by choice, others forced by circumstance. With a few exceptions, we have not mitigated future hazards, we have only restored to pre-Ida condition infrastructure whose design and capacity are likely outdated for the predicted rates of heavier and more frequent precipitation. If life is good for most of us, we must also remember our most vulnerable have been left out of a full recovery. The Village apartments remain a shell, a redevelopment plan still incomplete, and local social service agencies have seen a marked increase in need, which, sadly, sees little chance of abating anytime soon.

This City is Stretched. It's going to be another rough year for the City's finances and the taxpayers. Our debt service will hit its all-time peak at approximately \$1,586,000., which is \$114k more than last year. This level of debt, combined with substantial increases in employee health care benefits, inflation, and several new expenses, will have a painful effect of this year's budget. We can sharpen our pencils all we like, but the numbers won't lie and our debt is the reason. In 2022, Lambertville's adopted budget raised municipal taxes more than 11%. We, the Governing Body, acknowledge the pain and difficulty this situation has caused our residents. I do not yet have a clear sense of where we will end up in 2023, but the finance team is working through the numbers and I hope to introduce the budget at the March 16th City Council meeting.

Our administration of City services is also stretched. I can categorically state that the City has been, and remains, understaffed and under resourced. Last January, I hired a fire official to work sixteen hours a week; previously, just eight hours a week were allocated for the joint position of Zoning and Fire Official. Last July, the NJ Division of Fire Safety conducted an audit and found dozens of violations in nineteen commercial and nonprofit sites, dating back years—it's taken seven months to get through the backlog and it still isn't done.

One of the hardest decisions I had to make last year was whether to consolidate several part time positions into an expanded, full time role for Ken Rogers, the Construction Code Official. I sprouted a few dozen gray hairs over that one, but as I look back, I see it as one of my best decisions. Having Ken's expertise and commitment expanded to full time has been exponentially beneficial to the City in added efficiencies and service. Not a day goes by when I'm not grateful to have him in the office.

As the chief administrator, my own workday is given to managing the day to day operations of City government, overseeing human resource matters, responding to a steady flow of constituent concerns, and dealing with the constant and inevitable problems that arise in a 1.2 Square mile city of 4,000 souls. To do it well, I have found, is more than a full time position.

Next year at this time, I will decide whether to run for a second term. Last year I promised I would not hire an administrator and I did not. Nor will I hire one in 2023 as we continue to deal with an overburdened budget. But at the end of this

year, this City and this City Council will have to decide whether I have proven the need for additional staff in City Hall—either part time or full time—to help run this complex organization, which is far more work than it looks.

With the exception of the restored library porch, our Municipal facilities and DPW equipment have just gotten a year older without improvement or even much in the way of maintenance. The Governing Body recently toured the facilities and observed first-hand what years of inattention have yielded. We bonded for a new trash truck in 2022, however, due to a pandemic backlog, it may not arrive until next year and in the meantime, we are using two fourteen year old trucks to do the heavy work of trash and recycling pick-up.

Now that the consuming work of Ida restoration is behind us, the Governing Body must make decisions about our aging, and recently expanded, City assets.

The good news is our debt service will drop next year by about \$250k. In 2025 it will further drop about \$525k. Between fiscal 2024 and fiscal 2025, the debt will drop by almost half—about \$800,000.—and we will finally be free of its stranglehold on our operational budget. Add to this, the revenue a 2% cannabis tax will yield for the City. I don't have projections yet, though at least one cannabis retail shop is expected to cut a ribbon sometime this spring so we can expect a new revenue stream by year's end. Our fiscal situation, lousy as it is now, is about to improve.

Here's some more good news. Over 4 million dollars in grants have passed through Cindy Ege's capable hands this year. 2.75 Million for Ida related infrastructure projects. Another 1.3 Million dollars in grants to improve our streets, our environment, our Office of Emergency Management, our parks, our DPW, etc. I will include a complete list of these grants as part of the record and, I publicly thank Cindy Ege. You have no idea how much paperwork 4 million dollars' worth of grants generate.

Even more good news. This City is a Popular, thriving destination I can't keep track of all the award and accolades Lambertville has received in the last year. This place is more desirable than ever, for all the right reasons: the City is walkable, it's historic, it's beautiful, it's progressive, It's friendly, it's got great parks. It's LGBTQ+ friendly. It's got terrific restaurants and community coffee

houses, It's got artists. It's got music. It's got art-house movies. Shad fest, Porchfest, Halloween, Oaxaca Day. New restaurants, new coffee houses, three cannabis retail shops set to open this year. Our popularity is wonderful thing, worth highlighting and worth celebrating.

This City is Evolving. This is a constant and immutable fact, sometimes difficult to accept. The world, our country, and our City are in motion—some of it we can control, a lot of it we can't. Demographic and national trends have affected our housing market, the cost of living, who comes and who goes. The climate is changing, bringing more intense storms as well as other weather related hazards.

To the extent your City government can shape policy that reflects our values as we evolve, we must fully and proactively engage in the process.

In 2021, for example, the City successfully responded to the evolution that brings recreational cannabis to New Jersey. With widespread public input, the Governing Body enacted a well-reasoned Cannabis Ordinance, reflecting the cultural attitudes of our residents and the need for more local revenue.

As the City has evolved into an ever more popular destination, short term rentals have sprung up in way that concerns residents about housing stock and neighborhood quality of life. And so this year, the City will take up this matter of short term rentals before the situation evolves into something unwieldy, if it already hasn't.

The climate is changing, and we must adapt our building codes and improve our stormwater management. New, stricter regulations have come down from the state and we must embrace them for the protection they offer the City, as well as those downstream. Our reassignment to the MS4Tier A Stormwater permit will require substantial resources in implementation and ongoing maintenance. As long as I'm Mayor, the Lambertville resilience team will continue to guide this City forward in preparedness.

There will be development and with it the certainty of affordable housing units which we sorely need and are required to provide. K. Hovnanian has been designated the conditional redeveloper of the high school site, and while this

proposed project is still at the City Council level, we have made steady, good-faith progress and I will work to move this project forward this year.

Working with Council President Stegman and a few members from the Planning and Zoning Bords, I will look to identify areas of the City that we might identify as Areas in Need of Rehabilitation or Redevelopment. Identifying and designating such areas will leave us better situated to the oversee and control the inevitable changes these sites will at some point undergo. There is nothing stopping us from being better planners of the cityscape.

Possibly the state of the City may feel worrisome at times, given the vagaries of the economy, political divisions, unforeseen circumstances, and the climate, but our people keep it stable throughout the challenges—our residents and taxpayers, our municipal employees, our elected leaders, our countless, enthusiastic volunteers, our first responders, our business community, artists, neighbors, everyone who lives and works here. Given what we know of the world—of how many places struggle to meet the basic needs of their communities, the long terms state of Lambertville is just fine and as the Mayor I have a fulsome gratitude for every person who adds value to this incredible City we call home.

Thank you.