

Speech given by Mayor James Doyle on Tuesday, Oct. 20.

I want to thank the Northern Rhode Island Chamber of Commerce for inviting me to present my thoughts on the State of the City of Pawtucket. Considering the desperate situation of current the economy you may very well assume that I have nothing good to report. I am happy to say, this is not the case. In fact, although the city continues to be financially challenged there are many positive things happening in Pawtucket.

The first bit of good news is that while many communities are having their bond rating lowered Moody's Investment Service maintained our "A3" bond rating, but added the city to a growing list of states and communities with a negative outlook. Furthermore, they credited the city for implementing a work plan to address our unfunded pension liability, and they cited continued School Department deficits as the primary reason they placed the city on the negative outlook list.

Another reason for optimism is the continued investment by out-of-state developers. Although, the tightening of the credit market has put several projects on hold, several large projects are underway or completed.

The \$22 million transformation of the former Slater Cotton Mill into 125 rental units is completed and dozens of new residents now occupy the luxury apartments. This successful redevelopment project was carried off without the benefits of any state historical tax credits. Just a short walk from this successful redevelopment another \$25 million transformation is underway at the former Union Wadding Complex. The project to build 245 moderately priced loft style condos is back on track to be completed by 2011.

The population living in the downtown will jump by nearly 1,000 residents with the completion of these two projects. Besides these two large scale projects several new businesses have opened in our downtown this year. The Village Restaurant not only opened this year, at the former Dunkin Donuts site on Main Street, but recently the Pawtucket City Council approved it for a liquor license.

The Cup and Saucer, also located on Main Street, has a new owner and will be opening soon. Just across Main Street from the Cup and Saucer a Leather Shop recently opened in one of the storefronts beneath the parking garage. Also, the last vacant storefront beneath the garage will soon be a design center where many of our local artists will be able to collaborate on a no fee design services to benefit themselves.

The biggest and most significant project to hit Pawtucket in over 50 years will enter the permitting and design phase in early 2010. Of course, I am referring to the Pawtucket Commuter Rail Stop. According to the Rhode Island Department of Transportation this iconic project will follow shortly after the completion of the Green Airport Commuter Rail Stop, which is currently being built.

During my last state of the city address, I reported this project received a \$1.9 million federal appropriation that required a city match to conduct the engineering study and develop a construction plan. Today, I am happy to report the proceeds from the sale of the Lynch Arena will be used as the city's match to access these funds. With the amount of federal dollars being committed to projects that create jobs and have the ability to enhance long term economic growth, I am confident that our commuter rail project will be fully funded because it is the most comprehensive stimulus project in the region.

The momentum of this iconic project will drive additional investment into the Barton Street Neighborhood and our struggling downtown business region. An example of this would be the former Coats and Clark and Conant Thread complex, which is scheduled to undergo a \$45 million mixed use transformation including hundreds of stylish residential units, modern commercial space, pleasant retail shops and desirable boutiques.

Just a short walk away from this area, the Broad Street rejuvenation project should be producing a new and attractive look the length of Broad Street from Cumberland to downtown Pawtucket. Furthermore, all of these developments will meet the goals and qualify for financial support from the Keepspace Communities model being embraced by Rhode Island Housing.

Another mammoth project that will begin in early 2010 is the replacement of the I-95 Pawtucket River Bridge. The new bridge will correct several problems of the past. First, the plan eliminates the tra

nightmare caused by the oncoming north bound traffic at the George Street on-ramp and the north bound departing traffic at the Cottage Street off-ramp.

The design plan calls for the construction of a new service road that will allow oncoming and departing traffic to safely travel their desired routes. Furthermore, the new design will serve as a welcome symbol of Pawtucket's enhanced image as a city rebuilding itself. The completion date for our new signature bridge will be the spring of 2013.

So far, I have talked about many positive things happening to our city, but as you are well aware, these are terribly trying times and the financial stability of our community has been jeopardized by many factors.

The State and Governor have failed miserably to develop a strategic plan to effectively deal with their reoccurring structural deficit. You may recall that several of these past year deficits were eliminated by using one time windfalls from tobacco and lead paint settlements. This past year's state deficit was eliminated in part by using federal stimulus funds. Despite, the influx of these stimulus funds the state completely wiped-out the General Revenue Sharing (GRS) Program and Pawtucket lost \$5 million in state aid.

Now, to address this year's state deficit the Governor has proposed withholding the fourth quarter payments of the Auto Phase Out Reimbursement. If this happens, Pawtucket will lose an additional \$2.5 million on top of the \$5 million GRS dollars we lost this year. The city **cannot** withstand this cut!!

To minimize the burden of taxation throughout my earlier administrations, I very carefully streamlined our municipal operations and was able to consolidate duties, thereby enabling the city to eliminate nearly 70 positions by 2008. Furthermore, our operating budget was so lean that when we began losing state aid, we were forced to institute an additional 40 lay-offs.

This past year, we negotiated \$2 million in concessions from our police and firefighter unions. Last year we also temporarily laid-off 9 Parks Department workers between January and April, and will again lay them off this year between November and April. These seasonal lay-offs this year come as our nonpublic safety employees begin their fourth straight year with no pay raise. Furthermore, as we continue to negotiate for higher medical co-pays these same employees will receive 12 unpaid furlough days this year. Considering all these cuts, I will say again, the city **cannot** withstand another state cut.

Our School Department continues to negotiate contracts that our taxpayers cannot afford. Last year's \$4.9 million School deficit depleted our reserve fund and contributed to a whopping tax increase.

It continues to amaze me, that while city workers forego raises for their fourth straight year and will endure 12 unpaid furlough days, the School Committee believes a contract that allows for a one year pay freeze with raises during the second and third year is a good deal for our taxpayers. This reckless spending by the School Department must be stopped and I am asking the Chamber to support legislation that would repeal the Caroulo Law.

One of the city's greatest assets continues to be its strong partnerships and the Northern Rhode Island Chamber of Commerce is at the top of that list.

Today, I am asking the Chamber to support a group of tools sought by the Rhode Island League of Cities and Towns. These tools include: the repeal of the Caroulo Law, an end to binding arbitration, suspension of minimal staffing requirements for police and fire personnel and relief from unfunded state mandates.

As I have said in the past, we are all in this together. We can either sink or swim together---I am sure like myself you would prefer the latter. I thank you for the opportunity to share my thoughts about the state of the city.