

*Wilmington, Delaware
Louis L. Redding
City/County Building
March 27, 2014*

Council met in regular session on the above date at 6:00 p.m., President Theopalis K. Gregory, Sr. presiding.

Invocation was given by Joe Garcia.

The Pledge of Allegiance was recited by City Council.

President Gregory acknowledged dignitaries, department heads, and citizens that were in attendance this evening.

ROLL CALL

The following members responded to the Call of the Roll: Council Members Chukwuocha, Congo, D. Brown, Shabazz, Prado, Dorsey Walker, Williams, Freel, M. Brown, Cabrera, Walsh, Wright, and Council President Gregory. Total, thirteen.

SUSPENSION OF RULES

Upon a motion of Ms. Walsh, seconded by Mr. Williams/Mr. M. Brown, Council suspended the rules in order for Mayor Dennis P. Williams to present his Budget Address. Motion prevailed.

Council Members Chukwuocha and Congo escorted Mayor Dennis P. Williams and Mrs. Williams into the Council Chambers.

MAYOR'S STATE OF THE CITY ADDRESS - FISCAL YEAR 2015

First of all, good evening everyone. President Gregory, members of City Council, City Treasurer Supinski, my good friend County Executive Tom Gordon, other elected officials, my fellow citizens of Wilmington and city employees and to my wife the First Lady Shayne of Wilmington.

Mr. President, thank you for the invitation to speak before Council tonight. Our City is much stronger today than it was a year ago. We all must work together. Let me say as the 55th Mayor of this City, as a young boy coming public housing, from a divorce household, I stand for all of those young men and women today who think they do not have hope. I want them to strive hard; to work hard; and to look at me and look at where I came from and look at where I am today. And I truly believe in the people of this City especially the young people of the City who are having a tough time and as I speak to you tonight, we will talk about those young people quite a bit. Mr. President, I really

appreciate those bi-weekly breakfast that we have. We get an opportunity to play around and joke and when we do take on some serious issues, I mean that. We put all politics aside, we have some great mornings. As of matter of fact, when we talk, my week is really good and I truly mean that and I really appreciate you and Councilman Jea Street for (inaudible) that and the three of us getting together every other month. He's great to me and I feel good about that. We've been friends for a long time and some mistakes were made. Those mistakes are gone. We're going to work together. We need this city running in the right direction. Thank you.

Ladies and gentlemen, tonight I hope to have a conversation with you about the State of Our City.

Our charge is to uplift Wilmington. We are committed to building a thriving City where families prefer to live, where educational opportunities for our youth are plentiful, where our communities are safe, and our businesses are happy to invest in the future of our citizens.

If we work together we can accomplish all of this.

That is why, quarterly, I convene a meeting with the entire State delegation. I appreciate these meetings with Governor Jack Markell, Congressman John Carney, Senator Chris Coons and Senator Tom Carper. At these meetings we discuss important issues such as: improving public safety, building economic development, providing jobs to our residents and bringing more resources to our communities. Collectively we come to the table, we roll up our sleeves, sometimes we always don't get along but we tackle these issues that are very important to the City of Wilmington.

Since I've addressed you in this forum, there has been no issue more challenging than that of public safety.

The good news is this time last year, we had 27 shooting incidents. This year we have 20. This time last year there were 29 shooting victims. This year there are 21. In our targeted high crime areas we have seen a 60% decrease in shooting incidents.

We still have work to do. But we continue to see progress. Our officer are engaging the communities more than ever before.

"Park and Walks", where officers get out of their vehicles and walk the community is up over a thousand percent. In our neighborhoods, officers are committed to building relationship with city residents as of way of reducing crime. Take Master Corporal Gary Taber for instance, after hearing the statistic that a child who reads at the third grade is more likely to graduate from high school, Officer Taber seized the opportunity to provide books for children in the Riverside community. Master Corporal Taber visited the Catholic Charities Center, who provided 100 books for him and he handed these books out to kids while on patrol.

And ladies and gentlemen, let me tell you something, for an officer to do that, to go above and beyond for his or herself that is something great. Is Officer Taber here? I'm telling you that is something very great because with this officer is doing, he's building relationships in the district that he's riding in; he's getting to know these kids; these kids will trust him. He won't be rotated out of that district probably for 24 months. He'll have an opportunity these kids will understand Officer Taber. They will come to him with problems and that's what we're talking about ladies and gentlemen. That is police and community relations at its best. While our future is optimistic, we've only begun to start turning the corner. The question is how?

First, we must increase the number of police officers on our street to ensure public safety in our neighborhoods. Attrition is real ladies and gentlemen. Wilmington Police Department loses great officers every year. That is why it is essential that we hold another police academy this year.

Our newly recruited officers will join our existing forces in continuing to implement our new sector deployment. The plan divides the city into three different sectors in order to reduce response times to incidents and building deeper community support.

Neighborhoods are not the only areas where we change our deployment strategy, Downtown is the economic engine of our City. We listened to the concerns of the business district and responded with a solution immediately. In October, we redeployed police officers in downtown Wilmington.

The primary goal of the redeployment was to ensure the safety of downtown's many residents, shop owners, and visitors. One officer in particular, Sergeant Malcolm Stoddard, he did more. He worked to engaged local schools, businesses and residents.

While walking his (inaudible) Sergeant Stoddard spotted several empty storefronts. He was aware of the heightened potential for vandalism and nuisance crimes in areas of vacant buildings. He saw this as an opportunity to deter crime by having local students from Kuumba Academy, Bancroft, Stubbs Elementary to paint murals that were displayed in the vacant downtown storefronts. This mural project is another example of how the police and the community are successfully working together ladies and gentlemen.

These strategies are effective. But we cannot and will not stop there. We must be willing to explore new and creative ideas to address the violence in our communities.

The Cure Violence program takes a public health approach to violence prevention, and aims to reduce street violence by using outreach workers to interrupt potentially violent situations. Evaluations have shown the successful impact of the Cure Violence model by reducing gun violence in multiple cities across the United States of America.

That is why we will implement the Cure Violence Program in our city.

We have sent one of our people Shawn Allen to Chicago and let me say this ladies and gentlemen, I had to lock him up and throw away the key mentality at one point in my life but I started adding up the dollars; I started looking at what we were doing to a generations of people, it does not work. It does not work. We have to have a three prong process; we have to have enforcement; we have diffusing problems; and we have to have jobs ladies and gentlemen. We have to have jobs.

We know the success of our City is directly related to the success of our neighborhoods. In January, we engaged civic, neighborhood and community organizations to form community clusters, which turned out very well. I should say some very cold nights we had great crowds of people out that were involved in this. These groups look to address issues of public safety, offer community-organizing training, and provide access to a variety of City resources. This collaborative effort between neighborhoods and community groups will create new partnerships to help stabilize neighborhoods; stabilized neighborhoods; stabilized neighborhoods. When neighborhoods are stabilized, they don't need the police as much. This is what we're talking about - - you can clap on that. We have reached out to the faith-based community of all denominations to form a Mayor's Ministerial Advisory Council. We have talked to several ministers, rabbis, we hope that they come to the table and work with us and work our solutions out. We have had several of these ministers and rabbis who've called and want to do follow-up meetings now. We feel that the church is a very important part of society. They have to be a main player at the table.

One example, Reverend Dr. Terrence Keeling, Pastor of Central Baptist Church, and working with Councilwoman Shabazz and community stakeholders. Reverend Keeling was able to spearhead the Eastside Rising Initiative, an initiative to improve homeownership, human services, entrepreneurship, and education. We have supported Reverend Keeling Eastside Rising efforts by providing scholarship and opportunities to receive training from that neighborhood and skill development with Local Union 55.

As we focus on our neighborhoods, we have to pay special attention to the development of our young citizens and ensure the City remains a great place to grow up. In order for our children to have the ability to compete in today's global economy, we must nurture them academically, broaden their horizons, and ensure they are provided the tools to success. We do each of these things in a variety of methods in the city. One method would be the Community Education Building. This state-of-the-art facility brings a high quality educational opportunities to youth in our city. In addition, to the many academic benefits, the Community Education Building will create new jobs that we hopefully will employ residents in Wilmington.

Another way we help young people succeed is through the Office of the Mayor Scholarship Awards Program. Last year, we awarded over \$20,000 in scholarships to the City of Wilmington's top high school students. We have almost quadrupled the amount of the scholarship money we offer to our college bound students and I look to continue increasing our commitment to the scholarship program.

Additionally last year, the Department of Parks and Recreation hosted a fall college tour that provided 35 high school students the opportunity to visit colleges in Maryland, Washington D.C. and Virginia. Ladies and gentlemen, our children that do good in school, we have to give them an opportunity. We can no longer turn our back on them. The ones that are going and working hard; going to school every day and trying to do the best that they can, we can't turn our back on them if they can't afford to go to college. We must find a way to put them there and send them there. We continuously talk about young people doing the right thing, well if we want them to do the right thing and they're trying and they're staying in school and they're staying positive, let's help them.

Last year, we also partnered with the Grand Opera House and created a program of arts in the parks, cultural activities in the parks and in public spaces across the City of Wilmington. We also broaden the horizons of our youth we must also focus on providing them with basic necessities. The Department of Parks and Recreation's Child and Adult Care Food Program's mission is to provide better access to food and promote healthy eating habits, nutrition and education. You can clap on that one too (diabetes). The department serves a hot meal to children in the communities each day. Currently, the At Risk Program is offered at 36 different locations and I want you to listen to that, 36 different locations – the City of Wilmington feeds children - - thirty-six different locations. Together we can nourish our future leaders and assure they have a positive impact on our community.

In order to make sure we continue to reduce crime and provide quality services to our citizens we must make difficult decisions. Fiscal Year 2015 General Fund Operating Budget expenditures total \$150,482,490 – a modest 3.5% increase from Fiscal Year 2014. This increase was driven in large part by a number of uncontrollable factors including:

- Pension/pension healthcare obligations;
- Debt service and capital projects;
- Contractually mandated salary steps; and
- Increased animal control costs.

Additionally, the budget included carefully considered crime fighting items and neighborhood development initiatives like:

- The Cure Violence program. It's a must. It's needed.
- The demolition of dangerous and vacant properties. It's a must. It's needed.

So, I ask you to support me on those. Forced to choose between eliminating city services through massive layoffs or raising tax revenue, I made the gut-wrenching decision, the decision to raise revenue. Taxes are never easy. No mayor wants to do this unless he's crazy or her crazy.

In leadership positions, you make difficult decisions. It must be made. Tonight, I reluctantly propose a 9.9% property tax increase for Council's consideration. The

increase will add \$6.54 to the monthly average property tax bill. The property tax adjustment will allow us to avoid cutting precious services that the people depend on.

I, along with City Council, and particularly Finance Chairman Bud Freel, recognize the need to continue the considerable work to be done in recent years to move the Water/Sewer Fund to greater fiscal stability. The Finance Department renewed focus on accurate billing, collecting, and water produced and consumed by utility customers, has resulted in an additional \$2.4 million in revenue for Water/Sewer Fund. I appreciate Bud Freel's tenacity. Under Councilman Freel's leadership, the Water, Waste Water and Sewer Citizen's Advisory Board was established. It is made up of citizens, whose mission is to maintain the integrity of the rate-setting process.

I comment the diligent work of this Board and the comprehensive approach taken to look at all factors impacting fair and equitable rate setting. Tonight, I announce I accept the two key recommendations.

The first is to increase Water and Sewer rates by 8% and Storm Water rates by 7% for 2015. Secondly, I announce that all city facilities will be billed and required to pay for its water usage beginning the Fiscal Year 2016. It is fair. It is equitable. It's the right thing to do.

Earlier this year, Moody's Investors Service affirmed the City's AA2 bond rating and improved the outlook on the City's rating to stable. If we maintain our own financial house will stay in order. Very key. You keep your budget in order at your house, you're in good shape. We keep our budget in order in the City, we're in good shape.

Wilmington's future is bright. But don't just take my word for it, ask the businesses that are investing in our City. Westin Hotel, small business owners, Jerry's Artorama; Latin Fusino; The Kitchen; EntreDonovan and La Fia, opening and bringing new life to our communities; and the expansion of Bain's Deli, Dunkin Donuts, Salad Master all in the Hercules Building. Woodlawn Trustees will be a 450 new house project over the next ten years built in City of Wilmington. Capital One purchased the Wilmington Trust Building putting more employees into that building. Looking at another site in downtown Wilmington where we may potentially get another 500 to 700 employees; newly renovated Wilmington Library; Wilmington Trolley. Don't believe me, just go out there and see what's going. Yeah. These investments are just the beginning. In the coming weeks my administration will put forward a comprehensive economic development plan; that plan will build on a momentum and focus on creating quality, good paying jobs. Let me be perfectly clear, economic development in Wilmington will only be successful when it begins with local job creation. Working together, we can make it happen.

Ladies and gentlemen, I end this conversation on the same note as I began – by proclaiming that the state of our city is stronger today than it was a year ago. Now it is time for us to stand together – the Mayor and City Council, we must walk in lock step.

The corporate community and entrepreneurs, the police and citizens, as we work toward making our streets safer, our neighborhood stronger and our children prepared for the future, I am convinced that if we work together – if we summon what is best in us, Wilmington can and will continue to thrive. We can and will achieve greatness together. God bless the City of Wilmington.

Upon a motion of Ms. Walsh, seconded by Ms. Shabazz, Council returned to regular order of business. Motion prevailed.

REGULAR ORDER OF BUSINESS - MINUTES

After reading a portion of the minutes of March 6, 2014, upon a motion of Ms. Walsh, seconded by Mr. Williams, it was moved they be accepted as written. Motion prevailed.

TREASURER’S REPORT

The following Treasurer’s Report dated March 27, 2014 was read into the record by the City Clerk, and upon a motion of Ms. Walsh, seconded by Mr. Freel, the Report was received, recorded and filed. Motion prevailed.

TO: THE HONORABLE MAYOR AND CITY COUNCIL OF WILMINGTON March 27, 2014

102	Community Development Block Grant	M & T Bank	\$ 1.00
104	Old Non-Uniform Pension Account	M & T Bank	\$ 1,527.81
105	Police Pension Account	M & T Bank	\$ 442,530.59
106	Fire Pension Account	M & T Bank	\$ 29,064.17
107	Evidence/Found Currency Account	M & T Bank	\$ 51,202.81
108	Rent Withholding Escrow	M & T Bank	\$ 4,137.97
110	Capital Projects Account	M & T Bank	\$ 52,785.14
113	Non-Uniform Pension	M & T Bank	\$ 1,111.82
114	Central Deposit	M & T Bank	\$ 15,357.36
117	Cement Workers	Wilmington Savings Fund	\$ 33,381.23
118	Worker’s Comp. 3 rd Party Account	M & T Bank	\$ 13,003.23
124	Non-Uniform Pension Act of 1990	M & T Bank	\$ 479,747.45
130	Payroll	M & T Bank	\$ 49,224.32
131	Pension Payroll Account	M & T Bank	\$ 20,303.78
139	Pension Healthcare Account	M & T Bank	\$ 44,471.75
	Total Cash on Hand		\$ 1,237,850.43

FUND CODE	FUND	INSTITUTION	INVEST. TYPE	MATURITY DATE	INTEREST RATE	INTEREST RECEIVABLE	INVESTMENT AMOUNT
116	General	M&T Bank	RP	03/27/14	0.01%	\$ 1.78	\$ 6,483,147.00
116	General	TD	CD	03/27/14	0.25%	\$ 273.98	\$ 2,000,000.00
124	Non-Uniform 1990	WSFS	CD	03/28/14	0.30%	\$ 771.08	\$ 3,235,000.00
106	Fire Pension	WSFS	CD	03/28/14	0.30%	\$ 73.89	\$ 310,000.00
105	Police Pension	WSFS	CD	03/28/14	0.30%	\$ 87.00	\$ 365,000.00
116	General	WSFS	CD	04/01/14	0.30%	\$ 2,576.71	\$ 1,900,000.00
116	General	TD	CD	04/04/14	0.25%	\$ 2,232.88	\$ 2,000,000.00
116	General	WSFS	CD	04/17/14	0.30%	\$ 2,745.20	\$ 2,000,000.00
116	General	TD	CD	04/25/14	0.25%	\$ 1,816.44	\$ 1,700,000.00
116	General	TD	CD	04/30/14	0.25%	\$ 547.95	\$ 2,000,000.00
116	General	TD	CD	05/02/14	0.25%	\$ 958.91	\$ 2,000,000.00
110	Capital	WSFS	CD	05/06/14	0.30%	\$ 18,105.53	\$ 24,476,000.00
116	General	WSFS	CD	05/16/14	0.30%	\$ 1,298.63	\$ 2,000,000.00
116	General	WSFS	CD	05/30/14	0.30%	\$ 1,528.77	\$ 2,000,000.00
110	Capital ³	TD	CD	06/02/14	0.25%	\$ 959.99	\$ 1,540,195.00
116	General	WSFS	CD	06/02/14	0.30%	\$ 3,871.23	\$ 3,000,000.00
116	General	WSFS	CD	06/02/14	0.30%	\$ 2,878.35	\$ 3,400,000.00
116	General ¹	TD	CD	06/05/14	0.25%	\$ 9,957.28	\$ 14,537,615.00
116	General	WSFS	CD	06/10/14	0.30%	\$ 2,260.27	\$ 1,375,000.00
116	General	WSFS	CD	06/10/14	0.30%	\$ 1,503.08	\$ 1,375,000.00
116	General	WSFS	CD	06/13/14	0.30%	\$ 1,298.63	\$ 2,000,000.00
514	Risk Management	WSFS	CD	07/11/14	0.30%	\$ 8,687.31	\$ 2,895,775.55
515	Worker's Comp.	WSFS	CD	07/11/14	0.30%	\$ 8,687.31	\$ 2,895,775.55
104	Escrow Pension	Affinity Wealth					\$ 1,505,710.00
104	Escrow Pension	Vanguard					\$ 33,004,637.00
104	Escrow Pension	Black Rock					\$ 26,861,875.00
104	Escrow Pension	Edgar Lomax					\$ 19,736,773.00
104	Escrow Pension	Wilmington Trust					\$ 45,931,766.00
104	Escrow Pension	Manning & Napier					\$ 23,238,897.00
104	Escrow Pension	Earnest Partners					\$ 16,517,811.00
104	Escrow Pension	GMO					\$ 11,740,175.00
104	Escrow Pension	MFS Management					\$ 19,826,212.00
139	Medical Escrow	Black Rock-OPEB					\$ 11,611,584.00
116	Deferred Comp.	MassMutual					\$ 37,990,716.00
	Total Investments						\$ 333,454,664.10
	Total Cash on Hand						\$ <u>1,237,850.43</u>
	Grand Total						\$ 334,692,514.53

¹ Budget Reserve

³ SEU

/s/Henry W. Supinski
City Treasurer

LEGISLATIVE BUSINESS

President Gregory: Legislative Business; we're just going to go straight Mr. Freel - - Mr. Freel.

Mr. Freel: Mr. President, I have five (5) Ordinances as part of the package.

Mr. Freel presented and called for the first and second reading Ordinance No. 14-012 (Agenda #3911) entitled:

AN ORDINANCE ESTABLISHING A RATE OF TAXATION
ON REAL PROPERTY AND THE TAXABLE PROPERTY OF
PUBLIC UTILITIES FOR THE FISCAL YEAR JULY 1, 2014
THROUGH JUNE 30 2015

This Ordinance was given two separate readings by title only and upon a motion of Mr. Freel, seconded by Mr. Williams, was received, recorded and referred to the Finance Committee. Motion prevailed.

President Gregory: Mr. Freel.

Mr. Freel presented and called for the first and second reading Ordinance No. 14-013 (Agenda #3912) entitled:

AN ORDINANCE TO AMEND CHAPTER 45 OF THE
CITY CODE REGARDING SEWER SYSTEM UNIT
CHARGES AND WATER RATES AND CHARGES
AND STORM WATER RATES AND CHARGES FOR
FISCAL YEAR 2015

This Ordinance was given two separate readings by title only and upon a motion of Mr. Freel, seconded by Mr. Williams/Ms. Walsh, was received, recorded and referred to the Finance Committee. Motion prevailed.

President Gregory: Mr. Freel.

Mr. Freel: Another one.

Mr. Freel presented and called for the first and second reading Ordinance No. 14-014 (Agenda #3913) entitled:

AN ORDINANCE TO ADOPT A CAPITAL PROGRAM
FOR THE SIX FISCAL YEARS 2015-2020, INCLUSIVE

This Ordinance was given two separate readings by title only and upon a motion of Mr. Freel, seconded by Mr. Williams, was received, recorded and referred to the Finance Committee. Motion prevailed.

Mr. Freel presented and called for the first and second reading Ordinance No. 14-015 (Agenda #3914) entitled:

AN ORDINANCE TO ADOPT A CAPITAL BUDGET
FOR FISCAL YEAR 2015

This Ordinance was given two separate readings by title only and upon a motion of Mr. Freel, seconded by Ms. Walsh, was received, recorded and referred to the Finance Committee. Motion prevailed.

Mr. Freel: One more.

Mr. Freel presented and called for the first and second reading Ordinance No. 14-016 (Agenda #3915) entitled:

AN ORDINANCE ADOPTING THE ANNUAL OPERATING
BUDGET FOR THE FISCAL YEAR BEGINNING ON
JULY 1, 2014 AND ENDING ON JUNE 30, 2015

This Ordinance was given two separate readings by title only and upon a motion of Mr. Freel, seconded by Ms. Walsh, was received, recorded and referred to the Finance Committee. Motion prevailed.

Mr. Freel: That's all I have sir. Thank you.

ADJOURNMENT

Upon a motion of President Gregory, seconded by Ms. Walsh/Ms. Shabazz/Mr. Prado, Council adjourned at 6:34 p.m. Motion prevailed.

Attest:



Maribel Seijo, City Clerk