

Chairwoman Krueger, Chairwoman Weinstein, members of the Ways and Means and Finance Committees; other members of the Senate and Assembly: Thank you for the opportunity to address this panel on behalf of the residents of the city of Rochester.

Rochester continues to succeed. Our economy is growing with new jobs and low unemployment. Our streets are safer with crime at historic lows.

And, our families are stronger due to the availability of more affordable housing, pre-k education and job training.

Our city is home to one of the hottest real estate markets in the nation. And, Rochester was recently named the top city in the nation for potential future high-tech job growth.

In partnership with Governor Cuomo, we have completed or will have under construction eight "Roc the Riverway" projects this year, including renovations to our Blue Cross Arena, and the creation of a new Erie Harbor Promenade and Roc City Skate Park.

And, with your and Governor Cuomo's support we are looking forward to building upon our success with the second phase of "Roc the Riverway!"

Rochester is prospering and our growth is real. However, we cannot succeed alone. We need a partner in you, our state government, to address the challenges we face in meeting these goals.



Lovely A. Warren
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TESTIMONY

*Mayor Lovely A. Warren
Rochester, New York*

Joint Legislative Hearings
2020-21 New York State
Executive Budget Proposal
February 10, 2020

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nd, it is in that spirit of partnership, that I come before you today to share how you can, and I dare say, -- must -- act to address the issues facing Rochester.

ur city faces a \$40.5 million all-funds gap that threatens our continued success and, ultimately, the well-being of our families.

this all-funds gap is nearly \$5 million greater than in 2018. Sadly, this increase would have been more than mitigated by the progressive solutions I shared with this honorable body last year. But, these solutions have not been addressed.

share these same proposals with you today in the hopes that you will agree that it is time for bold action, especially since it would not cost the state a dime.

'm asking that you modernize the policies regarding the Gross Receipts Tax, or CRT, on Energy Service Companies and mobile phones.

We must pass legislation that makes it crystal clear that all ESCOs have to pay the CRT. We cannot allow some companies to continue to ignore the law at the expense of our cities.

This must also include mobile phone services like it does in New York City - and not only headlines - a technology that has largely faded into history. Upstate cities deserve to be treated fairly when it comes to this issue.

I'm also asking the state to recognize that a one-size-fits-all approach doesn't work when it comes to the roll out of new technology.

The proposed legislation regarding small wireless facilities deployment is a solution in search of a problem.

Rochester is already seeing the installation of these facilities under our current telecommunications code.

We've instituted regulations protecting our infrastructure and our ability to manage right-of-ways without depriving our residents of access to enhanced mobile networks.

This is happening organically and the state should not get in the middle of that growth.

We also need you to help us protect our infrastructure from the severe weather we are experiencing due to climate change.

Because climate change is affecting our cities at rapid rates.

Extreme Winter Recovery (EWR) funding is critical to cities such as Rochester. We currently hold the title this year for the Snowiest City in America. The \$500,000 of EWR funding is important to keep our roads and bridges in the best possible condition.

While our infrastructure is important, no resource is more critical to Rochester than our people. Unfortunately, far too many of our residents have suffered under the criminalization of marijuana.

It is time that New York joins our sister states in making history by ending the disproportionate prosecution and imprisonment of our citizens by finally legalizing marijuana.

In doing so, New York should rectify the damage caused to cities by this prohibition.

We are asking you to support Speaker Heastie and Leader Stewart-Cousins in adopting an approach that benefits those who suffered most under criminalization.



And those communities are cities. Not just New York City, but Rochester, Buffalo, Syracuse, Albany and Yonkers. We should not be excluded from any revenue that marijuana sales provide to the state. Those dollars should be reinvested in our cities most impacted to help us lift our residents out of poverty.

We recommend that marijuana sales be connected to the retail sales tax, which would generate an estimated \$1.2 to \$2.4 million annually for the City of Rochester.

And, if we are going to address inequality and ensure that Rochester can continue to lift families out of poverty, we must address the fundamental unfairness of AIM funding.

Simply put, the current AIM formula makes Rochesterians second-class citizens in New York State.

Rochester per capita only receives 85 percent of the AIM and received by Syracuse and 68 percent of the AIM aid received by Buffalo.

Adding insult to injury, Rochester is forced to pay more in maintenance of effort funding for our failing school district than we receive in AIM aid.

We are required to pay \$119.1 million in maintenance of effort funding to the Rochester City School District. Yet, we only receive \$88.2 million in AIM aid from the state each year - A nearly \$31 million gap.

A change in this formula would address three quarters of our City's all-funds gap and provide property tax stability for our families, many of whom are struggling to make ends meet.

And, the struggle of Rochester's families and our children is not only financial.

As with the rest of my testimony, I've come here repeatedly asking the State Legislature to enact changes that would allow Rochester to be on the same playing field as our fellow cities.

Sadly, my cries have been ignored, just as my cry to you to help the Rochester City School District went ignored.

It is imperative that you understand that you have an obligation to help us help the children of our city. This matter cannot continue to be ignored.



Education Funding for Rochester: P20 (millions)

Currently, in this year's 2019-2020 budget, our school district has a \$35 million budget gap and in the 2018-2019 budget, they overspent by \$27 million, wiping out their fund balance.

The school year is almost over and we still have no indication of how this year's budget will be balanced. This is in clear violation of Section 2576 of the state education law. On December 9, 2019, the State Education Department instructed the Board to balance its '19 - '20 Budget and, as of today, the Board has failed to do so.

Today, our district is spending money that it does not have. And because of the antiquated system that the big five districts operate under, the City of Rochester is held responsible for the clear and consistent mismanagement of city school district funds.

It is not fair to the residents of our city, our City Council, nor to me - who have worked hard to maintain and build our bond rating - to be downgraded or face negative credit watch because of the Rochester City School District.

Clearly understand that the actions of the RCSD leadership - or lack thereof - severely threaten the financial viability of both the City and Rochester City School District.

If this is not addressed - in the end - it is our taxpayers who will bear the brunt of your failure to act.

But, more important than the financial harm caused by the RCSD, is the damage being done to the generation of children currently enrolled in their schools. They deserve a fighting chance at life.

I implore you to support the first step toward a governance change proposed by the Governor in his Executive Budget by installing a financial and academic monitor that has veto power.

We've already had a Distinguished Educator, who stated that the problem is not one of money, but one of management.

I do realize that we are at a critical point that requires a short term infusion of funding. However, that funding can't be given without a clear directive on governance change.

There is simply no alternative that will restore credible leadership to the District and ensure that Rochester's children receive the education they deserve.

Thank you for taking the time to allow me to share the challenges facing Rochester, and I ask you to continue to support our city and its bright future by acting on the requests I have shared here today.

Thank you, and I am happy to take any questions.

