

2021 Beverly, Massachusetts State of the City Address

Mayor Michael P. Cahill

April 5, 2021

Good Evening, President Guanci, City Councilors, City Clerk Kent, and everyone in attendance. As we meet tonight, a little more than a year since Beverly, Massachusetts, and the world were shut down by the COVID-19 pandemic, it is appropriate that we begin by remembering the 199 Beverly residents who have died from COVID-19 since the pandemic began. These family, friends, and neighbors of so many in our community are loved and missed.

Two more things need to be said. First, the toll from Covid-19 is assuredly greater. We likely won't ever be fully able to count how many other people we've lost this past year where covid was a contributing factor; further, the health toll – both mental and physical – sadly may lead to more loss in the weeks and months to come. And for this, we as a community grieve.

Second, and this next point is to be celebrated – we collectively, the people of Beverly and beyond – have made many sacrifices this past year and have worked incredibly hard to protect each other – and we, this wonderful, caring community we call home, has undoubtedly saved lives and continues to save lives with people's thoughtful, persistent attention to the public health guidance of wearing masks, keeping our distance, washing our hands, and doing more outdoors in less than ideal weather than perhaps ever before.

Now, in early April 2021, we are much closer to a return to the familiar. More people are getting vaccinated every week, and we are able to look forward to a summer with gatherings and celebrations, even as those will still require attention to our public health guidelines.

So let me say Thank You – thank you to you members of the City Council and School Committee as we've partnered from the beginning of this pandemic, trying to anticipate and meet the challenges wherever possible, and quickly and decisively responding as more challenges have come our way. Thank you to all our community partners who've been with us shoulder to shoulder throughout this pandemic. Thank you to all the people of Beverly as we have navigated the unknown, the fear, the massive disruption to our lives, and the losses and missed celebrations and traditions of all types. Thank you to State Senator Joan Lovely, State Representative Jerry Parisella, and Congressman Seth Moulton and your teams. You have been our partners throughout, keeping in regular contact and doing your collective very best work to help the constituents we all serve. And your work has made a real difference for all of us. Thank you to Governor Baker and the many members of your administration who we have worked with closely throughout. Your incredible work and your deep commitment to the people of Massachusetts are truly appreciated.

Thank you to our essential workers: our committed and hardworking first responders – members of our Beverly Police and Fire Departments and Northeast Ambulance - our frontline health care, public health, public services, food service, transportation employees and more. And Thank you to all our dedicated, resilient, and innovative educators and all school employees we are blessed to have here in Beverly, who have and continue to give so much of themselves to our children. Thank you to all our city department heads and employees who have worked tirelessly and professionally. Most of our department heads have seen their workloads go up drastically as the demands of COVID, together with all the regular business of the city piled onto their shoulders over this past year, and I can say

unequivocally that they continue to perform at the highest level possible on behalf of the people of this community.

And thank you to our local businesses – for doing your very best to both survive this time and to take care of your employees. And for working with us all as we've advocated for state and federal help and searched for ways to support you locally.

In many ways we are almost there. And yet, together we still need to be vigilant and we still need to respect this virus. Even as vaccines continue to roll out, we are still traveling this path together; this is a novel virus, meaning it is still mutating into different strains, and we are still learning. At a minimum, even after everyone has been vaccinated, we may all need an additional booster shot later in the year, and we may eventually find ourselves vaccinating against COVID-19 seasonally on an annual basis, much as we have long done to fight against the flu. So, we continue to do the best each of us can every day – and I am grateful for you, my colleagues on the City Council, as I am grateful for our School Committee colleagues. This continues to be our shared journey.

During this past year, the non-COVID work of the city has also continued, and it is incredible how much has been accomplished.

On the financial front, since the pandemic began last year, we have collectively focused on responsibly navigating the resulting fiscal unpredictability. We have continued to deliver the most critical city services while attempting to realistically project revenues, both local and state. As we built our Fiscal Year 2021 budget, we collectively made spending decisions to restrict growth and deliver a balanced budget. And although the economic impact to the City budget is proving to be less severe than first anticipated, with state aid level funded in the current fiscal year and slight increases in the Governor's proposed state budget for Fiscal Year 2022, key local revenue streams have decreased. Our Motor Vehicle Excise Taxes are down 9.4% from our previous three year average. Meals and Room Excise taxes combined are also down 24.7% compared to the three year average. While we are in a stable financial position to manage through these types of shortfalls, the reality is that there simply is less money available in some areas than we typically would have to work with. It is important we do not overextend the city and risk erosion of the City's sound financial footing that we have strategically achieved together.

A note on federal and state pandemic relief. The CARES and American Rescue Act funds that the city has and will receive, both directly for our schools and for our overall municipal needs, is significant and of great importance. It also comes with very specific guidelines and restrictions. We have collectively and will continue to work through the management and sound investment of these resources in a collaborative way, keeping faith with the people of Beverly who we all serve. Much of the federal and state guidance has evolved with earlier CARES Act funding, and federal guidance regarding the American Rescue Act funds is still being formulated and will guide our efforts prospectively as we continue to work through the pandemic and beyond in the coming months and years.

We recently received independent reassurance that our budgeting practices, our financial policies and our long term strategies are best practices. Standard and Poors Bond Rating Agency recently released a rating report on the City in connection with our issuance of municipal bonds to finance the police station, last round of middle school construction and more. This report commends our budgeting approach in light of the FY 2021 challenges all municipalities are facing. Standard and Poors concluded that the city's strong budgetary performance, budgetary flexibility and reserve positions all support the strong AA+ rating that Beverly has received. The city has leveraged this outstanding rating to obtain 30

year borrowing at 1.853%, a record low rate for our city and substantial savings in avoided interest costs to the taxpayers of Beverly. To illustrate, each 1/8 of 1% increase in the interest rate results in \$1.4M in additional interest costs to taxpayers. Our record low interest rate means that less taxpayer money must go to pay interest, and instead can be invested in delivering city services, including education for our children, and additional needed infrastructure improvements. We obtained the rate we did because of our financial practices. Our collective efforts in this area and our responsible budgeting are paying real and meaningful dividends.

Last spring, as we were just beginning to realize and identify some of the societal inequities laid bare by the pandemic, a specific tragic injustice demanded America's attention. In the aftermath of the killing of George Floyd in Minneapolis, the long overdue reckoning on race in America has begun, and we in Beverly have begun to travel this path as a community.

We started with a series of community conversations on race. We set aside funding in this year's city budget, which to date has funded three anti-racism trainings for city employees, elected officials, and volunteers. We created the full-time position of Diversity, Equity, and Inclusion Director, and Abu Toppin began his work in this role in January of this year. We also recently hired a consulting firm to lead us through a race equity audit. This audit will be complemented by the ongoing work of our Race Equity Task Force, a diverse volunteer group of 27 community members who have identified and begun to dig into work to address inequities in Beverly in the following areas of Health Care, Education, Public Safety, Economics and Culture. We have issued unified statements denouncing hate speech and symbols, in response to materials, flyers and stickers found around the City. Further, in the aftermath of the senseless killings of Asian-Americans in Georgia, and with an increase in hate crimes against the Asian American Pacific Islander (AAPI) community, we issued another unified statement denouncing anti-Asian racism in all forms. Following the issuing of this unified statement, City staff participated in a solidarity march on March 27 to support our AAPI community.

Key to these efforts is the recognition that we are only getting started, and this work needs to become embedded into our daily work both now and for the long term.

In 2020, we paused, added necessary scope to further address issues of inequities, and then completed our two plus year effort to write a new Master Plan for our city. This process, named PlanBeverly, sought and benefited from deep, robust community engagement and input. It affirms the values of our community, including our need to provide more housing opportunities for our residents, new and old, in all phases of life and across all income levels. The plan shows a path forward to meeting our housing needs while addressing density, height, and design considerations articulated throughout the public process. The plan also affirms the city's continued need for economic investment and jobs creation, business support, access to more transportation options, and more, and balances these values with keeping our neighborhoods strong and protecting undeveloped green space.

Two partner plans will also be complements to our new Master Plan – our recently completed Historic Preservation Plan and our soon to be completed Climate Action and Resilience Plan, which we are developing in partnership with our neighbors in the city of Salem.

The Climate Action and Resilience Plan will provide our two cities with the tools to continue to protect our communities against impacts of climate change like the storm surge flooding at high tides we are starting to see during more intense storm events, as well as the dangers caused by heat waves and drought. And of critical importance, this plan will move us decisively forward toward carbon neutrality by 2050, as we aggressively cut our greenhouse gas emissions throughout our communities, most significantly in our building, transportation, and waste sectors.

To these points, the city secured grants in 2020 and work is well underway to determine how best to address and counter ongoing erosion at Obear Park, and how to protect the Sandy Point sewer pump station, one of our most critical pieces of city infrastructure, as it collects all of Beverly's sanitary sewage waste and much of that of the town of Danvers, and delivers it safely to our regional secondary sewage treatment plant in Salem. As for cutting greenhouse gas emissions, we are working aggressively to lay the foundation for the impending wave of electrification in the transportation and building sectors. In direct partnership with the City Council and our Clean Energy Advisory Committee, 2020 saw us together resolve to reduce reliance on fossil fuel and transition toward clean energy for municipal energy needs, and we also committed to bring community choice electrical aggregation to Beverly, a bulk electricity purchasing program created by the state to increase the amount of clean, renewable energy used to generate a community's electricity. Pursuant to this commitment, last summer we hired a consultant team to lead this aggregation effort, and last month we submitted our application to the state's Department of Public Utilities, a key step in the aggregation process. Once approved, there will be a robust public engagement process before the program kicks off in 2022.

Last summer, thanks to a very generous anonymous three year donation, we were able to hire a Sustainability Director to coordinate and support the city's climate mitigation and adaptation efforts, and in mid-October we welcomed Erina Keefe as the city's first ever Sustainability Director. With Erina's strong leadership, our many department heads and support staff who have been engaged in this work are able to advance initiatives much more expeditiously.

Late last year, the new five megawatt ground mount solar array on the old city landfill alongside Otis Road and Route 128 opened. In addition to twenty-five years of clean, renewable energy that will be supplied to our regional electric grid, the city will receive between \$173,000 and \$225,000 per year in lease and pilot payments. Further, the city executed a Power Purchase Agreement with the developer that will save the city an estimated \$50,000 per year on our municipal electric bills.

On a similar front, we are close to finalizing permits for 4.5 Megawatts of additional solar on city property throughout Beverly – specifically ground mount, rooftop and parking lot canopy arrays at Beverly High School, rooftop and parking lot canopy at Beverly Middle School, rooftop at City Hall and the Senior Center, and parking lot canopies at municipal lots at 10 and 11 Pond Street and the McPherson Youth Center.

In 2020, we installed six level two electric vehicle chargers in three city parking lots. Last week, we installed eight EV chargers at Beverly High School and two at the Ayers-Ryal Side School. All these installations took advantage of state and National Grid grant programs. For example, the total cost for the ten chargers installed at the two schools was roughly \$145,000, with all but \$9,000 of that cost covered by the grants. We hope to expand our EV charging capacity at our other City lots, schools, and Lynch Park in the near future.

This summer, we expect to receive our second EV school bus, as we transition to a clean, renewable energy powered school vehicle fleet. Our first EV school bus has been in service since late last year and is performing effectively and reliably. With each new EV bus, we are cutting the particulate emissions that contribute to asthma and other negative health impacts as we cut our overall greenhouse gas emissions. Last for now on the sustainability front, we secured a grant to plant 70 new shade trees strategically throughout our downtown neighborhoods to increase carbon capture and mitigate against urban heat island effects, particularly in our environmental justice neighborhoods. These trees will be planted this year, strategically located, and nurtured throughout this growing season so they take root and thrive.

Turning to other infrastructure projects, we will open our new police station by late summer or early fall. At present, our Beverly Police Department is operating out of three sites, as the current station cannot meet the department's and the community's needs. The new station, roughly 32,000 square feet, will provide a home for all the department's needs and will also host our new combined 911 civilian emergency dispatch center – a long planned combining of police, fire, and emergency management services dispatch for our community. There will also be a large training room for scenario and de-escalation training that ideally will become a resource for neighboring police departments as well. And there will be a community meeting room on the ground floor. Our Beverly Police Department and our community need and deserve this new station and the important resources it will provide, and we are excited to welcome its completion. One other important aspect to this project is that, with a geothermal heating and cooling system and with rooftop and parking lot canopy solar arrays, this building, in use twenty-four hours a day year round, will operate as a near net zero building, meaning most of its power will be provided by clean, renewable energy sources.

Staying with infrastructure, we have continued to advocate and work with partners, public and private, at all levels of government to move the Route 128/Brimbal Ave phase two interchange project forward. Since the larger project, with a price tag in excess of \$30 Million, will still take time to realize, we conducted feasibility work this year and are now pursuing 25% design for an intersection improvement, possibly a roundabout, at Brimbal Ave. and Dunham Road. Until the new Route 128/Brimbal Ave. phase two interchange is built, significant improvements at this intersection represent the greatest opportunity for a positive, impactful step we can take in the near term. This will also be an improvement consistent with the goals of the larger project and will serve to best meet the neighborhood's and the community's needs for the long term as well.

Next, our three intersections road project is well underway and improvements to the Henry's intersection, the Balch and McKay Streets intersection in front of the Beverly Golf & Tennis Club, and the intersection by the harbor front at the intersection of Cabot and Rantoul Streets should all be completed this year. The Bridge Street project design is moving forward and the state has committed to funding it to start construction in 2023. We hope to continue to pave as many streets and improve as many sidewalks as our budget allows again this year. Further, the MassWorks grant funded project to improve the intersection at Sohier and Tozer Roads will begin later this year, designed with complete streets safety improvements for all – pedestrians, bicyclists, and motorists, with a particular focus on making walking safer for the residents in the neighborhood and safer for all the children walking to and from Beverly High School and Beverly Middle School.

The state agreed to fund this project in part since they have also approved funding for phase one of the new Anchor Point affordable family housing development at this corner, part of the City's 40R District. This highlights the incredible work this City Council has done in partnership with our administration, our school administration and School Committee and valued community resources like Harborlight Community Partners, who will build and manage this new neighborhood.

Further, last year construction started on the joint YMCA/Harborlight project to modernize 45 housing units at the Cabot Street YMCA, and to add 22 new units which will serve adults living with autism and formerly homeless adults, both populations with key support services in place.

Third, we continue to work with Harborlight Community Partners, this time with Beacon Properties as their partner, as they secure the necessary federal/state historic tax credits and low income housing tax credits to move forward with the Briscoe Village for Living and the Arts, a redevelopment of the former Briscoe Middle School to include 85 deeply affordable senior apartments, together with artist space as

well as community use of the renovated Briscoe auditorium. They hope to begin construction in 2022 for occupancy in 2024.

Now turning to the year to come - as we welcome warmer weather, longer days, and the opportunity to do more and more outdoors, our Recreation Department is busy planning for a more active summer camps and parks season, and scheduling our traditional summer concerts at Lynch Park and the Beverly Common. Our Homecoming Committee is creatively working to bring a menu of exciting Homecoming activities to the community this summer.

Meanwhile our team at the Council of Aging is preparing to reopen the Senior Center this spring and welcome back our seniors who have borne so much this past year, and we can't wait to see them. We look forward to ensuring as much access to and enjoyment of our trails, beaches, and parks as we safely can this spring and summer, while adhering to new state guidance that is reflective of where we are on this journey through the pandemic. Many local restaurants will participate in our expanded outdoor dining program again this year, and we all look forward to their success.

Two downtown redevelopment projects will break ground this summer: first, construction of the long awaited waterfront restaurant at the former McDonald's site, with a planned opening by summer 2022; and second, Depot Square Two, the mixed use transit oriented redevelopment of the Rantoul Street block close to the train station, including over 100 new apartments and first floor commercial/retail space, and incorporating the Casa de Lucca building into the project.

As I stated earlier, we are much closer to coming through the COVID-19 pandemic, and we will continue all our efforts to provide more opportunities to regain what we know and love of this community in the coming months, all the while continuing to take the safety measures needed to ensure we do come out the other side of this most difficult time healthy - and soon.

We at City Hall are determined to continue to serve the people of our wonderful city in the year to come. We know you City Councilors, School Committee members, and school administration share in this determination; and we know the people of Beverly will continue to support each other and all of us as they have so incredibly this past year. We are all excited and optimistic for the year ahead - working with you all on behalf of this city of Beverly continues to be our great honor and privilege. Thank you, All.