

The Year in Review

Mayor Jim Fiorentini's Report to the People of Haverhill

JANUARY 25, 2005

VOLUME 6, NUMBER 1

"Fiorentini is realistic about Haverhill's finances."

*Eagle Tribune editorial
April 4, 2004*

January 7, 2004

[Mayor takes \\$5,000 pay cut](#)

January 11, 2004

[Mayor announces hiring freeze](#)

January 13, 2004

[Mayor outlines \\$225K in savings](#)

January 28, 2004

[Fiorentini quick out of the box](#)

"Fiorentini is generally on the right track. He has streamlined city departments, plans ...and is trying to encourage economic growth."

*Eagle Tribune
editorial June
30, 2004*

A Personal Message from Mayor Fiorentini

Dear Neighbors,

A year ago, I took office during the greatest financial crisis since the Great Depression. The cause was the financial collapse of the Hale Hospital. Although we no longer had a hospital, we were obligated to pay \$6.5 million a year for twenty (20) years to pay off the debt from the Hale.

You gave me your trust and I am deeply grateful. It has been an honor to serve you this past year. I have worked as hard as I can, have learned a great deal. Overall, it was a successful year, and where it was not, I have tried to learn from mistakes.

When I ran for this job, I told you I had a plan for today and a plan for tomorrow. Here is my report on the first year of those plans.

Jim

A Year Ago

A year ago, when we took office, many people had lost faith in Haverhill. The library had closed, only to be reopened with one time funding from the settlement of a lawsuit. Now, there were no more lawsuits to settle, and we faced a large budget deficit. The Bradford Fire Station was closed. We faced a \$4.8 million budget gap the following year. The newspapers were filled with stories that we would become the first city since Chelsea to be taken over by the State.

A year later, our library and fire station are open, our bond outlook is up. We know we have a long way to go to restore Haverhill to fiscal stability, but Haverhill is on the move.

Taking Immediate Action...

Our most pressing problem was that we projected a \$1 million deficit and were scheduled to run out of money to pay our bills by May or June. We had to act immediately. We did.

My very first action, to days after I took office, was to take a voluntary pay cut of \$5,000. **"I cannot ask anyone to do what I will not do myself,"** I said, and I asked the unions to join in a common sense of sacrifice.

The next week, I imposed a hiring and spending freeze, stopping all new hires and all nonessential purchases. A week later, I announced a total reorganization of city hall, eliminating jobs, and saving the taxpayers \$225,000. On January 28th, the *Eagle Tribune* reported: "Even people who didn't support his candidacy like how fast he came out of the box."

Newspaper reports, "we are headed to State takeover..."

March 21, 2004
Debts put city at risk
of takeover

March 22

Override may stave
off State takeover

March 24
Mayor unveils plan to
avoid receivership

We knew that these measures would not be enough to meet the \$4.8 million deficit projected for the next year. On March 21, the newspapers reported that our finances were so bad that we were at the risk of a State takeover (called a "receivership"). On March 22, four elected officials called for an override as the only way to avoid receivership. It was obvious that immediate and strong action was required.

Announcing plans to avoid receivership

On March 24th, our administration announced plans to avoid receivership. We decided to make a tax override as a last resort, not our first choice.

We asked for, and gained, permission, to have a one time tax amnesty, bringing in \$122,000. We hired a new Deputy tax collector and in 8 months, we reduced our outstanding back taxes by \$200,000. We consolidated departments, and saved an additional \$600,000.

Then we tackled health care, the largest and fastest growing portion of the budget. We persuaded all 21 unions to consolidate health plans—something that we were told was impossible, saving the taxpayers \$600,000. We took on the city unions and cut mandatory overtime, and we made some tough decisions.

Not even the schools were exempt

This administration budgeted more money for education than had ever been budgeted in the past, but we insisted that the school committee pass a balanced budget and that the school department live within that budget. Everyone had to sacrifice. No one was exempt.

Saying no

Several unions did not get the urgency of our situation. They followed picketed, and calling me names and demanded a large pay raise. I told them that I would never give in to unreasonable demands and asked for health care reforms. We are making progress in that regard. Thus far, three unions have agreed to health care reforms.

The result

When it was all over, We got through the year. There was no receivership; there was no Proposition 2 and half override. Working with the Fire Department union and the City council, we reopened the Bradford Fire Station. We kept the library open and accredited. Although several people predicted that our bond status would sink to junk bond status, our bond outlook rating went **up**, not down. The bond rating agency cited the reorganizations we made as evidence that things were looking up in Haverhill. In fact, we became the only city in the area that did not cut a single job. It took a lot of hard work, and a lot of teamwork and cooperation with the city council, our legislative delegation and our school committee for this to happen.

It was a great beginning, but only a beginning.

It's [reusing factory buildings] been a goal of Haverhill mayors for a decade or more. **But it's under Fiorentini that we're seeing a real commitment to get things moving.**

Eagle Tribune editorial, September 17, 2004

The Plan for Tomorrow: The Haverhill Renaissance

No matter what we did, no matter how much we cut, every year we were forced to pay \$6.5 million for a hospital that we no longer owned. We worked in a bipartisan way with the Romney administration and with our legislative delegation and brought in new State aid but even that was not enough. There was only one way to meet the challenge: **expand the tax base.**

In the campaign for Mayor, I pointed to the abandoned shoe factories in Haverhill. I called them "Hope for Haverhill." The problem was that these abandoned buildings were zoned industrial. We were not allowed to use them as lofts and no one was allowed to live in those buildings.

In February, the city council acted with lightning speed and voted at my request to rezone the area so that old shoe factories could be reused as residences.

In March, we sponsored a downtown development conference called Vision Haverhill. We invited Boston real estate developers and the Romney administration to Haverhill to tell them of our vision to use the old shoe factories and mills and spark a renaissance in the old shoe district.

The Renaissance begins...

Then it started.

The Beacon Companies, developers of Rowes Wharf in Boston, announced that they would rebuild the Cabot Furniture building to upscale housing. A developer from Lowell bought the old Hamel Leather building to convert it to housing. Another developer took an abandoned shoe shop on Essex Street to convert it to upscale condominiums.

Some decisions were more difficult than others were. The city owned an abandoned parcel of land in Bradford that had once housed the Ornstein Heel Factory. Two previous Mayors had proposed selling the land, but the proposals were stuck in committee, with legitimate debate over whether we should sell at all, or if we sold, how the land should be used. I broke the three and half year log jam and sent the parcel out to bid. This month, a developer agreed to pay us \$3.4 million for the land.

Improving our quality of life.

The most important part of running a city is making life better for citizens.

In April, we found a new disease resistant Elm tree, and planted Elm trees in Haverhill for the first time in over 50 years. Next year, Haverhill's leadership in bringing back Elm trees will be recognized nationally in a documentary. Long after everyone has forgotten the Hale debt and immediate problems of the day, those elm trees, if they are truly resistant to Dutch Elm disease, will be monuments to a more beautiful city and to our efforts. We tackled problems that had been put off for decades: we complied with a Federal government order and began to remove toxic barrels from our landfill in Bradford and we complied with a long standing order that we begin to separate storm runoff and sewer waste to clean up our river. We put in public dock space downtown, brought in a river tour boat and applied to the Army Corps to dredge the river.

We added a new street sweeper, brought back first time offenders to clean the downtown, and made clean streets a higher priority. (We know we have a way to go.)

We found over 100 fire hydrants that were broken, hundreds of broken storm

drains. We set out to fix every broken fire hydrant, began fixing storm drains and patching potholes. We restarted festivals downtown, worked to make it easier for our restaurants to open and to have sidewalk dining. **It was a whirlwind of a first year: there was so much to do, and so little time.**

And our public schools

We added maintenance people to the school department and sped up the work at our flagship school, the high school. We found money to restore the music program in our middle schools.

We made some tough decisions; including charging for parking downtown, but in the end we know that Haverhill can survive and prosper only if we tackle decisions today not put them off until tomorrow.

Conclusion

It was a great beginning, but only a beginning. This great beginning was brought about through the hard work of many people working together: our city council, the school committee, our legislative delegation, our city employees and many volunteer citizens.

However, even with all of that, we still face that \$6.8 million deficit every year. We still face health care costs that are rising at double digit numbers.

In my inaugural address, I compared Haverhill's struggle to the long journey that our grandparents took to get to America. We know there is a better life at the end of the journey, but we know how hard and long the journey can be. Our journey has begun, but it will take a long time to turn around Haverhill.

If you have some ideas on how we can improve things, I'd love to hear from you. Are we on the right track? Email me at jimfior02@aol.com and let me know what you think.

Jim

Accomplishments of 2004

- Bringing hope to Haverhill
- Avoiding receivership
- Improving bond outlook
- Bringing Beacon and 2 other developers to redevelop our old shoe factory buildings
- Reorganizing government and consolidating departments
- Re-opening Bradford Fire Station—getting union concessions to make it possible
- Keeping library open and accredited
- Restoring music program to middle schools
- Hiring a new deputy tax collector and bringing in \$200,000 in back receipts
- Consolidation of municipal health plans, saving \$600,000 a year
- Rezoning downtown and old shoe factory areas to make it possible to bring in residences
- Planting elm trees for first time in over half a century
- Balancing budget without a single layoff
- Filling all vacant positions in police and fire departments
- Streamlining permit process for outdoor dining and for common victueller's permits
- Restoring left hand turn from Basiliere bridge
- Bringing back prisoners to clean downtown
- Restoring with volunteers the book delivery program at the library
- Restoring with a grant the literacy program at the library
- Reaching agreement with 3 unions on health care reform
- Selling land that was formerly Ornsteen Heel property for up to \$3.4 million after it was stalled in committee for over 3 years.
- Working with our legislative delegation to bring in millions of dollars in new State aid.

If you don't want the occasional email note from, reply and let me know. On the other hand, if you like them don't hesitate to let me know that as well! Jim