

I would like to thank everyone for coming to share this day with City Council and me as we reorganize for a new year. I want to congratulate Councilman Gage on being re-elected and welcome Tim Gregory to Council. I look forward to continuing working with you both and all of Council to move our city forward. Since 2013 this administration through two terms has focused on creating a sustainable government impacting the housing sector, quality of life and our economy through job creation. Through strategic planning and policy creation lead by vision, passion and inspired by hope we believe today we are closer to a better future for our tomorrow.

The laborious work that this governing body performed in 2017 through the creation of a city led comprehensive Redevelopment Plan shined a spotlight on the potential for Salem to create jobs, stabilize our housing market both impacting quality of life, In 2018, as a result of our work we've had investors seeking out Salem to establish their business within the City. Stephen & Natasha Vitale owners of Tadmor Distillery in Salem said “We're very excited about the future of Salem. Our distillery is located in the Waterfront Redevelopment Zone, so we look forward to seeing all the improvements to the area and hope more businesses join us soon. It's a great place to start a business” As an administration it's nothing more gratifying to know that business owners and investors see the plan, understand the vision and want to be a part of it.

The state has also recognized our policies and planning by designating us an Opportunity Zone as well as making Salem City the first city named to participate in its State Resource Network Initiative. The Opportunity Zone designation will give us additional tax credit incentives to attract development in our Manufacturing and Port District. Tax credits are vital to reducing cost associated with investment and expedites investment returns as a result of state or federal guarantees .

The State Resource Network Initiative has provided much needed resources to increase long term financial planning and economic competitiveness. This initiative has provided a tremendous opportunity for networking with other stakeholders to share services and complement city resources resulting in a greater impact on our community. In addition, the

state has made investment through increasing transitional aid; to secure the economic stability of the city as our home ownership program (NTI), Commerce Department and employment have time to mature and become the sustaining sources driving our economic recovery. All these stories are testaments of more than wishful thinking or blind hope but the evidence of faith meeting hard work and collaborative effort working within the vision to make Salem a better place to live, work and call home.

Because of our achievements over these two terms we will continue to govern as we have the past six years with vision, policy and unwavering hope for our future. This approach over the years has created the Mayor's Task Force, The Commerce Department, Waterfront Redevelopment Plan, Neighborhood Transformation Initiative (Home ownership Program) created new revenue streams from housing initiatives, Increased African American Professional and Consultant employment in the city, Increased our police force to highest levels in over a decade, Tripled revenue from South Jersey Port Corp. from \$30,000 to almost \$100,000, Created over 150 employment opportunities in the city and counting. First quarter 2019 we will continue to build on our vision by naming the first Executive Director for our Commerce Department. Our Commerce Department is the economic engine of our city and will now be led by an Executive Director with knowledge in policy, maritime business and development. This role will continue to build on the heavy lifting that has already begun and is credited with recruiting Empire Blended to Salem our first manufacturing employer in over 30 years.

With all these successes we recognize that we still have many challenges that overshadow the tremendous work that we've done over these two terms. If there is a looming challenge that has not had policy placed around it it's because it's beyond our control. In spite of what we can't control we still engage ourselves in the problem to positively affect the outcomes.

For a year and a half you've heard me speaking about job creation through the recruitment of Empire Blended. While Empire Blended is currently operating in Salem they are not operating at 100% capacity as that is contingent upon the completion of the county owned rail line. As a city we've met with the County numerous times to stress the importance of the rail project and

the dependence of jobs on the completion of the rail. While we've done and continue to do all we can the county rail project is out of our control and dictates the start of more than 100 employment opportunities in the city. The good news is that the project is finally nearing an end and at that time we will be standing with Empire Blended to announce plans for hiring in 2019.

The Commerce Department has worked to foster the sale of the former Anchor Glass site with several controlling interest since its closing. We were successful with our collaborative efforts in finalizing the sale of the most recent owner by outlining our vision for the city and how we could work together to bring jobs to the community and the city would provide a strong work force. While the city has held up its end of the bargain with a ready work force and incentives; unfortunately the current owner has not held true to his commitments to get the site to a usable state where operations can begin. As a result the several hundred jobs that we worked to line up are being stalled until we can once again find another owner for the site. In this situation we are looking to utilize powers in the policy of our redevelopment plan to gain stronger control over the future use of the site. We remain optimistic regarding the Ardagh site as we still have multiple investors still very interested in bringing several hundred employment opportunities to Salem.

One of our most pressing challenges is bringing a grocery store into our city. This has been a top priority of this administration since Incollingo's closed in Oct of 2017. Since that time we've been able to have a feasibility study done to determine the best grocery store operation for our community. We've been able to identify a very successful group in the Brown Group that specializes in operating grocery stores in economically challenged communities and food deserts. We've visited several of the Brown Group operated grocery stores and we both believe Salem is an ideal location for future grocery operations.

In most communities that are food deserts the issue takes so long to resolve the city usually ends up with control over the vacated site. This is not the case for Salem; the site remains privately owned and about to be foreclosed on by the bank. This gives us very little control

over use of the site other than the mediator role we've been playing with the bank and the interested party. The city and the Brown Group both feel that if reasonable price can be negotiated for the sale of the site then we can close the deal immediately. We are focused on bringing a grocery store into our community that will be a partner respecting the community it is serving by providing quality meats and produce at a fair cost. We are confident the Brown Group will bring in an operator that meets the expectations of this administration and needs of our community with a sustaining presence for decades to come.

While we continue to press forward and make progress despite the challenges that are out of our control we continue to have progress minimized due to the perception of our community. Our community has never been and will never be more than the people who reside here and their actions. The narrative that is written and spoken about our community is completely in our control. Despite all the policy we put into place, initiatives and programs we make available to the community if there is not a desire to take advantage of the opportunities to makes ourselves better then we will never be more than we are perceived to be. We know crime is tied to low employment and concentrated poverty. While the jobs in Salem are coming there are already jobs in Pureland that hire individuals with criminal backgrounds. It's not a lack of opportunity as it is the bad decisions made that tarnish our image.

When we learn to value our own lives then it will not be as easy to take another's life. When we appreciate hard work and the opportunities it provides then we will not take from others what we have not earned knowing that hard work will yield us the same treasures. When we wake up driven by a dream to be more than what we see around us and to make our communities better than they are then we will uplift and support others as they journey to achieve their dreams of life. This administration has already proven that hope and inspiration can change how government operates now the government needs hope and inspiration to change how our community operates their lives.

I believe that even the impossible is possible with faith; and our faith in the hope of what is not yet seen will lead us on to brighter days and thriving tomorrows!

In Romans the 4th chapter Paul gives an account of Abraham and Sarah who were told at an old age they would give birth to a child. Considering both their ages naturally this was an impossible feat as Abraham's body was considered dead with respect to virility. Abraham known as the father of faith believed that he would birth life out of a dead situation in spite of those who didn't believe because God had spoken it into existence. While some may have counted Salem out and say that we're in a dead situation. I believe we have a faith based community and constituents praying for this city daily.

I further believe that the prayers of the righteous availaleth much; so I challenge everyone to speak into existence our future and put hard work behind it then we will give birth to a new Salem. A Salem where the mindset of the community is to overcome despite their circumstances, where we have more homeowners then landlords, where we have jobs flourishing, where life is valued and senseless crimes are detested, where love and hope abounds and is exemplified in our daily lives toward one another. A Salem that reflects the good and decent people that live here. A Salem that will give birth to a change that only those who had faith would have believed possible. We've come a long way and we still have a ways to go but I am confident our greatest days lie ahead of us!

Thank you; God Bless you and God Bless Salem City

Mayor Charles Washington, Jr.

07 January, 2019