



OFFICE OF THE MAYOR

MAYOR BEN WALSH

February 4, 2025

Hon. J. Gary Pretlow, Chair
Assembly Ways and Means Committee

Hon. Liz Krueger, Chair
Senate Finance Committee

Good morning,

Thank you, Chair Pretlow, Chair Krueger and the members of the Legislative Fiscal Committees, for inviting me to these joint hearings to discuss the State Budget. It is an honor to be here.

Three weeks ago, I delivered my 2025 State of the City address to the people of Syracuse. In my eighth and final address, I invoked the words of the Athenian Oath in reporting Syracuse is “not only not less, but greater, better and more beautiful than it was transmitted to us.”

The progress is the result of an ambitious agenda established at the start of our administration: Syracuse will be a growing city that embraces diversity and creates opportunity for all. We believed a relentless focus on that vision would position Syracuse for resurgence, and it has.

That was the purpose of the Syracuse Surge, our strategy for inclusive growth in the New Economy, and Syracuse Build, our nationally recognized construction careers training program. It also inspired the Resurgent Neighborhoods Initiative, our comprehensive housing and community revitalization plan.

None of these successes would have happened without the support of this Legislature. You invested in them all. I am particularly appreciative of the members of our local delegation, Assemblyman Bill Magnarelli, Assemblywoman Pam Hunter, and Assemblyman Al Stirpe, Senator Rachel May, and our new Senator Chris Ryan.

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GROWTH. DIVERSITY. OPPORTUNITY FOR ALL.

With CHIPS and Science Act funding locked in for the \$100 billion Micron project, we seek continued state partnership for a new series of catalytic investments in jobs, housing, and infrastructure to ensure the chip fab brings maximum benefit to the City of Syracuse. Like local governments across New York, we also seek the state's help in building the city's own fiscal sustainability. The Legislature has always recognized this priority, and we need your support again.

Capitalizing on New York's semi-conductor moment is essential to reduce the unacceptably high poverty rate in Syracuse. We've made steady progress in recent years, but we must accelerate the rate of poverty reduction, especially as it affects city children. I thank Governor Hochul for proposing an expansion of the child tax credit and for continuing the special fund for anti-poverty initiatives for Syracuse, Rochester and Buffalo in her Executive Budget. I urge the Legislature to enact those proposals.

Syracuse's overarching, go forward plan focuses on three areas. First, create new opportunity by using economic development funds to facilitate private investment and job creation; second, expand access to quality housing by advancing the Syracuse Housing Strategy implementation; and third, complete critical infrastructure investments to expand capacity and create shovel ready sites to accommodate anticipated growth.

Jobs and Opportunity

In jobs and opportunity, the City will focus on spurring new private investment within neighborhood business corridors and commercial districts. We will connect economically distressed areas to workforce training and employment centers. We'll also emphasize key needs in preparation for Micron related growth: new hotel rooms; greater capitalization of Minority and Women-owned Business Enterprises (MWBE's) and Black, Indigenous, and People of Color (BIPOC) real estate developers; and new infill development to increase density and vibrant commercial districts.

Affordable Housing

In the area of affordable housing, I have reported to the Fiscal Committees in prior years on our Syracuse Housing Strategy, an innovative, multi-year plan to revitalize the city's aging housing stock. The strategy will empower city residents to fix up their homes and strengthen their neighborhoods with assistance from the Housing Strategies Fund.

To maximize the impact of city and state investment, the strategy encourages neighbors to improve whole blocks of target areas together. That will make the City more attractive for home buyers and encourage greater private investment to lift up more properties and neighborhoods. New funds requested for this project assist homeowners who currently do not qualify for existing funding sources due to eligibility restrictions. We'll make stronger markets in Syracuse neighborhoods, increased property values and tax revenues, and draw more residents and families into Syracuse.

Public Infrastructure

Regarding public infrastructure, the state has and continues to be our essential partner in maintaining and upgrading our roads, sewers, and water systems. We will deploy additional state support to complete strategic infrastructure upgrades to support new commercial and mixed-use development. Major infrastructure improvements will occur in alignment with the East Adams neighborhood near the Interstate 81/Community Grid project, Syracuse's Inner Harbor at Onondaga Lake and the new Lafayette Hills development which will bring hundreds of market rate single family and duplex homes to the city.

With state help, we will continue to reduce the levels of lead considered acceptable in our drinking water. Syracuse received a lot of attention regarding lead service lines late last year, and we are taking the matter seriously. The fact is, thanks to state funding, we're in full compliance with EPA requirements. We are also ahead of EPA mandates for replacements, and we're going to stay that way. In the year ahead, we will change out more than 3,000 lines. With continued help from the state and federal governments, I'm confident we can do away with all lead service lines well before the 10-year mandate.

Fiscal Sustainability

Regarding fiscal sustainability, I'm pleased to report that all major indicators of financial health show Syracuse is stronger today than when I took office.

In 2019, Moody's and S&P upgraded the City's fiscal outlook from negative to stable, and in 2022 S&P upgraded our credit rating from A to A+. Our reserves are projected to be more than double what we started with. The reality is, though, to balance the budget, we will likely have to draw on our reserve again. As long as we are in that position, we haven't achieved fiscal sustainability.

We continue to implement new sources of local revenue and have experienced the positive results of growing sales tax income and increasing property values. We are also grateful to Governor Hochul and the Legislature for authorizing Temporary Municipal Assistance in last years budget to help offset the impact of long stagnant AIM aid. I'm pleased temporary aid is again in the Executive Budget. I urge the Legislature to go the next step and permanently adjust AIM more in keeping with the substantial growth in state budgets and the actual costs New York's municipalities face.

I would also like to address the current uncertainty regarding federal funding facing state and local governments. I join with my fellow mayors in expressing deep concern about the Trump Administration's actions to impose a broad freeze on federal funding for grants, loans and other essential programs. As stated by the New York Conference of Mayors, any interruptions to funding streams that support daily city operations and, of particular concern, our most vulnerable residents would have a devastating impact on Syracuse. We stand ready to partner with this Legislature in advocating for the needs of cities and the many diverse people who make urban communities vital, appealing and enduring.

In closing, this is my last appearance before the joint Fiscal Committees, and I have been honored to represent Syracuse at these hearings during the past seven years. I reiterate my appreciation to the members of the Syracuse delegation and the full Legislature for your steadfast backing. As I declared at my State of the City address, with continued partnership and collaboration at all levels of government, I believe the sky is the limit for Syracuse and, indeed, for all of the state. I'm confident Syracuse's continued ascent will continue to elevate all of New York.

I look forward to working with you in the year ahead. Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read 'B. Walsh', written in a cursive style.

Ben Walsh
Mayor

cc: Hon. Rachel May
Hon. Chris Ryan
Hon. William Magnarelli
Hon. Pamela Hunter
Hon. Al Stirpe