



THE CITY OF NEW YORK  
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**STATE OF THE CITY REMARKS BY BILL DE BLASIO, AS PREPARED FOR DELIVERY**

Thank you, Sheryl Morse, for that warm introduction.

Thank you to Mitchel Wallerstein for hosting us.

Thank you to Officer Leggio, and to Frederick Trapp of the DSNY.

And thank you Reverend Gabriel Salguero.

Thank you to my fellow elected officials in attendance: City Council Speaker Melissa Mark-Viverito, Public Advocate Letitia James, City Comptroller Scott Stringer. Thank you to the Borough Presidents, District Attorneys, Members of Congress, the City Council, and the State Legislature who have joined us. And thank you to Mayor David Dinkins for being here.

Thank you to my fellow New Yorkers!

And of course thank you to the First Lady.

I want to begin by telling you a distinctly New York story.

More than a hundred years ago, a young woman named Anna Briganti arrived in our city after emigrating from Grassano, a small town in southern Italy rich in natural beauty, but scarce in opportunities for its people.

Anna traded picturesque hillsides, and small town familiarity... for an apartment at 205 East 17<sup>th</sup> Street in Manhattan, just a short walk from here...a place lacking the tranquil comforts of her childhood...a neighborhood where few spoke her native language.

But Anna's new home offered her something that her old one did not: profound possibilities to create a better life... for herself...and for her children.

So, in the year 1910 -- a decade before our country granted women the right to vote -- Anna opened an embroidery company: The Misses Briganti... its very name a proud symbol of single women -- the "Misses" referring to her sister, and her mother, and herself -- three women who started the business, together.

Anna Briganti was my grandmother. I am here because of her.

My grandmother's story -- like most New York success stories -- was not a fairy tale. She did not stumble upon success through luck or charm; she forged it with hard work and raw grit.

And she lived in a place that rewarded those things in unique and powerful ways.

For generations, New York has been a city that unleashed human potential.

A place offering opportunity for everyone, no matter how your life's story began; opportunity for innovators and visionaries to write new chapters in our history; and for parents and grandparents to write brighter ones for the next generation.

And here's the hard truth: all of that is at risk today.

It's at risk because so many who live in New York struggle to afford to be here.

And, since only half of New Yorkers speak only English at home, let me say that a different way:

Por generaciones, Nueva York ha sido una ciudad que le da rienda suelta al potencial humano.

Pero aquí está la dura verdad: todo eso está hoy en riesgo.

Está en riesgo porque a muchas personas que viven aquí les cuesta demasiado poder quedarse aquí. Nosotros queremos cambiar eso.

You can see it all over New York -- in the eyes of the single mother in Coney Island, working two jobs and barely scraping together enough for a modest apartment to share with her kids.

You can see it in the worn hands of the fast food worker in Washington Heights, consumed with worry as the calendar approaches the first of the month...the day the rent is due.

You can see it in the furrowed brow of the senior in Rosebank on Staten Island, as she sweeps her porch to chase away thoughts of whether she's saved enough to stay in her small house in the only neighborhood she's ever called home.

If we do not act -- and act boldly -- New York risks taking on the qualities of a gated community... A place defined by exclusivity, rather than opportunity. And we cannot let that happen.

Over the past two years, I've spoken about the need to take dead aim at the Tale of Two Cities, and about our vision for creating One New York, rising together...a city where everyone has a shot at the middle class.

And while we have so much more work to do, 2014 was a year of great progress in our effort to address inequality and lift up our families.

Some examples:

We achieved full-day Pre-K for more than 50,000 of our kids.

We nearly doubled enrollment in after-school programs for middle school kids in all five boroughs.

By executive order, we expanded living wage coverage to 18,000 workers.

With the help of the City Council -- and the strong leadership of my partner in government, Speaker Melissa Mark-Viverito -- we secured paid sick leave for 500,000 more New Yorkers.

We ended the overuse of stop-and-frisk, reducing stops by over 75%. And since we instituted our new marijuana policy, arrests are down almost 65%.

At the same time, thanks to our courageous men and women in uniform, we've not only kept New York City safe -- we've made it even safer.

Our NYPD officers helped bring the city's crime rate to an all-time low – with the smallest number of murders, robberies, and burglaries on record.

The FDNY responded to a record 1.6 million emergency calls...always at the ready when New Yorkers needed help.

The Correction Department made sweeping reforms, including an end to punitive segregation for adolescents in city jails.

Also in 2014, we fought to keep our streets safe and clean for pedestrians, cyclists, and drivers alike.

We established Vision Zero -- bringing pedestrian deaths down to a level not seen since 1910.

We handled one of the snowiest winters our city has ever seen, with 11 winter storms in 2014.

And after our sanitation workers did an extraordinary job clearing our streets...our Department of Transportation workers filled nearly a half-million potholes.

In 2014, we took on climate change and the damage inflicted by the extreme weather linked to it.

We built on the strong environmental record of the Bloomberg Administration by committing to “80 by 50” – a dramatic, game-changing 80 percent reduction in greenhouse gases in our city by the year 2050. And we will be retrofitting not just some, but every public building with significant energy usage by 2025.

We helped repair the devastation wrought by Superstorm Sandy – beating even our ambitious goals – with construction starting on more than 1,000 homes; and badly needed reimbursements provided to more than 2,000 homeowners.

And today, I want to make perfectly clear that every reimbursement check will be in the hands of those who need them by the end of this year. From Staten Island to Canarsie to the Rockaways, families hit by the storm have been through so much. This Administration will finish the job of helping them rebuild.

In 2014, we balanced our budget in a way that was honest, responsible, and in keeping with our progressive values.

We came to contract agreements with over 71% of the city's workforce, up from zero the year before – signing deals that are fair to both our city workers and to our taxpayers.

We awarded \$690 million in contracts to minority and women-owned businesses, a 57% increase from the year before.

And we connected more New Yorkers to jobs, health care, and our social safety net.

We created the Tech Talent Pipeline to link New Yorkers from every borough and background to a booming tech industry that now employs nearly 300,000 people, and is growing every day in our city.

We invested capital in new economic hubs to create 3,000 new jobs in the Brooklyn Navy Yard and 1,000 new jobs at the Brooklyn Army Terminal that will be there for years to come.

We announced our plan to redesign our workforce development system to arm up to 30,000 New Yorkers a year with the skills for 21<sup>st</sup> century jobs.

We ended the fear of communities being left without critical care services when their hospitals closed without warning – and began the process of opening half a dozen new community health clinics.

We ended a ticket blitz on our small businesses, and are on track to save them \$5 million in petty fines -- money they can put towards growing and hiring.

With the help of the City Council, we created IDNYC– for both citizens and undocumented New Yorkers. Let’s be clear: Relegating any New Yorker to life in the shadows is not who we are as a city. And I’m happy to report that -- less than a month after this program’s inception -- more than 180,000 New Yorkers have already made an appointment to get their ID.

And we began a major new effort – now led by our inspiring First Lady -- to address the gaps in mental health coverage in New York City. This issue is personal to Chirlane and me, and to so many families who’ve watched loved ones fall through the cracks of an inadequate system. I can’t think of a smarter, stronger, more compassionate person to lead our effort to change that than our First Lady. Let’s thank her!

We opened new doors of opportunity for our young people.

We’ve begun to create 128 community schools – schools that serve the whole child...offering everything from vision tests and mental health screenings...to family counseling and tutoring.

We created 62 prose schools – a fresh, new model where teachers and principals work together to set aside DOE and union rules that hinder innovation...so we can better serve our kids.

And we invested in Renewal Schools...to fix 94 struggling schools...because every child in every neighborhood deserves a quality education.

All of these things will make our neighborhoods stronger – and make life in our city better for so many.

But you can’t tap into the opportunities that New York has to offer if you can’t afford to actually live here.

So I will say this:

While the state of our city is strong, we face a profound challenge. If we fail to be a city for everyone, we risk losing what makes New York...New York.

And nothing more clearly expresses the inequality gap...the opportunity gap...than the soaring cost of housing.

The math is pretty straightforward.

In 2014, 56 percent of rental households in New York were spending more than 30 percent of their income on housing – up 10 points in a little more than a decade.

Now spending more than 30 percent of your income on housing means you’re officially “rent-burdened.” That’s an apt description, since the cost of living is becoming a heavier and heavier burden -- not just on wallets, but on hopes and aspirations, as well.

So how did we end up here?

Part of the problem is that the city has for decades let developers write their own rules when it came to building housing. Sometimes projects included affordable housing...but far too often, they did not.

As the city expanded, our growth was guided primarily by the developers' bottom lines.

That meant a bias towards luxury housing – units that fetched top dollar, but were entirely out of reach for most New Yorkers...multi-million dollar homes that drove up rents in the neighborhoods they occupied – all without a corresponding menu of affordable new options.

This Administration is taking a fundamentally different approach – one that not only recognizes the need for more affordable housing...but demands it.

How will we do this?

First, we're writing new rules... ones that mandate affordable housing as a condition of development in areas re-zoned for residential use.

Second, we'll do everything in our power to keep those who already have affordable housing in their homes.

And third -- since we only have so much land -- we'll create more affordable housing by literally building up... adding density to appropriate parts of our city.

Let me explain what that means.

We are not embarking on a mission to build towering skyscrapers where they don't belong. We have a duty to protect and preserve the culture and character of our neighborhoods, and we will do so.

And as we invest in more affordable housing, we will also work with communities to preserve the fabric of neighborhoods and invest in things that great neighborhoods need -- from parks and schools...to shops and restaurants.

Now, there are some places in our city that have not yet been developed or zoned for housing, but could be. And by taking steps like adding residential buildings to former manufacturing sites -- or adding some six to eight story buildings in appropriate places — we could make a fundamental difference in neighborhoods' affordability. That means families staying and thriving in the neighborhoods they love, instead of being priced out.

Will this be difficult? Of course. But let me remind you of a difficult challenge we overcame just last year.

Of all the efforts we made in 2014 to address income inequality, the most prominent was our successful bid to secure universal, full-day Pre-K – something bold and meaningful...and something that so many pundits said we couldn't achieve.

The naysayers said we would never find the funding... or the space... to give all our kids a chance.

Well, thanks to the tremendous energy of parents, activists, community leaders, elected officials and good everyday people throughout the city, we proved the cynics wrong.

And when it comes to affordable housing, we will prove them wrong again.

In fact, we're already doing so...already making real progress towards a more affordable New York.

Here's how:

First, our Rent Guidelines Board passed the smallest rent increase ever last year – helping protect tenants from being squeezed by their landlords.

Second, we are following through on a plan to build and preserve affordable housing on an unprecedented scale. We've committed to the construction of 80,000 new units of affordable housing by 2024.

Let me put that in perspective: it means building new affordable units at twice the average annual rate of the past 25 years.

When you add that to the 120,000 units that our plan preserves, it means affordable housing for a half million New Yorkers...more than the entire population of the city of Miami. Take that, Miami!

This is what our housing plan does. It's real. Those here...can pick up a copy. And anyone can read it online at NYC.gov.

And we're already putting this plan into action. Our goal for 2014 was to create and preserve 16,000 units. We beat that goal -- achieving 17,300 affordable units last year alone.

Third, because it's been projected that New York City will be home to nine million people by 2040, we're pursuing every kind of housing.

Increasing the overall supply of housing is critical to serving New Yorkers at all income levels -- and to assuring we can accommodate the workforce who will continue to grow our economy.

So we plan for the construction of 160,000 market rate units as well.

All told, our plan will create hundreds of thousands of construction jobs -- and over 20,000 permanent jobs.

Fourth, we're cutting red tape to speed up our progress.

To expedite the right kind of development, we must expedite the development process.

What we need, and what we will have, is fundamental reform at the Department of Buildings. This agency must better serve its customers -- including thousands of small businesses that drive our economy. We'll speed up inspections and cut bureaucracy, so that more jobs can be created and more housing can be built.

Fifth -- for the first time in New York City history, we are creating a Mandatory Inclusionary Zoning requirement that will apply to all major residential re-zonings.

This is a big one. Listen to this.

In every major rezoning development, we will require developers to include affordable housing. Not as an option. As a precondition.

Want to see this approach in action? Look at Astoria Cove in Queens. As a result of this Administration's framework -- and the City Council's tough negotiations -- 465 units of affordable housing will be created at this site alone.

That's 465 families who no longer have to choose between living in the city they call home, or finding another city they can afford. It means that hundreds of kids will live and learn and grow in our city.

Astoria Cove is a site in which previous City re-zoning policy wouldn't have required any units of affordable housing. Zero. That was, in fact, the original plan.

So if you want to see the difference that our approach is already making -- it's the difference between 465...and zero...on one site alone.

And there are many more re-zonings like this coming soon to neighborhoods across the five boroughs – from East New York to Long Island City; from Flushing West to East Harlem; from downtown Staten Island to the Jerome Avenue Corridor in the Bronx.

Each of these efforts will make our neighborhoods stronger and more affordable.

And here's one that will be a game-changer when it comes to keeping our city affordable for thousands of New York families: Sunnyside Yards.

Right now, there are 200 acres of land in the heart of Queens, land that exists in the form of a rail yard – and only a rail yard. But the fact is, those tracks could easily exist underground – allowing us to build housing – much of it affordable -- above them.

At Sunnyside Yards, we envision a plan that incorporates what diverse and dynamic neighborhoods need -- access to transportation, parks, schools, retail stores, and job opportunities.

Now 200 acres is a lot of land. We know some parts of this site can easily handle larger buildings... and others can't. So we'll work closely with elected officials and community leaders to determine what makes sense.

Our approach is not entirely novel. Developments that prioritize affordability and livability HAVE been built before -- from Starrett City to Co-Op City to Stuy Town, to the Big 6 towers in Woodside, Queens.

And these developments created affordability on a grand scale.

Stuy Town, when it opened in 1947 provided our city with 11,250 affordable apartments... a community where trees and parks, and shops dotted a landscape from which residents could actually see the sky.

We're bringing that same kind of scale -- and a real sense of urgency -- to Sunnyside Yards...and setting the same exact goal of 11,250 affordable units, as part of a neighborhood that anyone would be proud to call home.

And in contrast to the recent history of Stuy Town, we're going to make sure that affordable housing at Sunnyside Yards stays that way.

To paraphrase one of my former employers, it takes a village to build a neighborhood. So we look forward to partnering with Amtrak and the MTA in this extraordinary effort at Sunnyside Yards.

Another transformative opportunity lies in the Lower Concourse neighborhood on the waterfront in the South Bronx, a section of our city that was for so long synonymous with urban decay.

But the South Bronx is coming back strong, and waterfront development will be a big step forward.

When we look at this project, we don't think about what used to define the Bronx; we think about all that will define the Bronx in the future.

With a \$200 million capital investment, we can stimulate the development of 4,000 new units of housing – much of it affordable -- and provide the parks, schools, and commercial development that support a growing, thriving population.

We look forward to partnering with Speaker Melissa Mark-Viverito and our colleagues in government to make an investment that will bring hope and opportunity to a place with enormous potential.

And speaking of potential, let's talk about the Rockaways.

Battered by years of economic distress even before Sandy's gale force winds struck, there's no place in our city that has persevered through more.

Our plan will jumpstart the process of acquiring underutilized properties in the Rockaways – areas blighted or vacant for decades – as we look to create new, affordable housing for thousands there.

We must also remember that transportation is central to the mission of providing affordable housing and services -- connecting neighborhoods in the five boroughs to New York's largest job centers.

For years, the conventional wisdom has been that certain neighborhoods are doomed to isolation because of their geography.

Today, if you live in one of those neighborhoods – the Rockaways or Red Hook or Soundview, among others -- a job in Manhattan can easily mean an hour or more of commuting, even when the skyline is visible from your home. You can actually see opportunity, but practically speaking, it's very far away.

We are going to change that.

Today, we announce that we're launching a new citywide ferry service to be open for business in 2017. New ferry rides will be priced the same as a MetroCard fare, so ferries will be as affordable to everyday New Yorkers as our subways and buses. .... so residents of the Rockaways and Red Hook and Soundview will now be closer to the opportunities they need.

And beyond connecting residents to jobs in Manhattan, our new citywide ferry system will spur the development of new commercial corridors throughout the outer boroughs.

We will also expand Bus Rapid Transit – or BRT – serving 400,000 New Yorkers along key thoroughfares like Utica Avenue in Brooklyn, and Woodhaven Boulevard in Queens... completing a network of 20 routes over the next four years. BRT will cut transit time on existing routes by 15-25%. That means New Yorkers spending less time in transit and more time living their lives.

That's the kind of housing that we'll build.

Let's talk about some of the people we're fighting to help.

First, our veterans. We commit to ending chronic veterans homelessness by the end of this year. Those who fight to protect our freedom abroad should never be left without a home.

Second, our seniors. We're providing 10,000 units of affordable housing for – New Yorkers who have worked hard all of their lives, and deserve to retire in dignity. Women and men who live on fixed incomes have little recourse when housing costs go up. They need our help, and they will get it.

Third, artists. We know that New York is the city it is today in part because of the contributions from generations of artistic visionaries who at one point struggled to make ends meet.

So we'll provide 1500 units of affordable live/work housing for the artists and musicians who make New York culture so vibrant.... as well as 500 dedicated affordable workspaces for the cultural community.

These folks bring joy to everyday New Yorkers; and inspire young people to pursue their natural talents in professions that often don't promise a big paycheck. They also help make our city a mecca for tourists, and are one of the reasons why a record number of people -- 56.4 million -- visited New York last year.

But whether or not you're a veteran, a senior, or an artist, you've likely felt the pinch of skyrocketing housing costs in our city.



That's due in part to a phenomenon that everybody sees, everybody feels – but nobody wants to really talk about: gentrification.

Ask 8.4 million New Yorkers what they think about gentrification, and you'll get 8.4 million opinions.

Clearly, there's good and there's bad.

First, the good.

After two decades of steadily declining crime, people are excited to come to New York...about investing in our city.

With that influx of people and resources comes jobs and amenities...more activity...safer streets.

The problem comes when we reach the tipping point...when New Yorkers get priced out of their own neighborhoods.

In the past, we've been told: sorry – there's nothing you can do about that. You can either have a safe and clean neighborhood – or you can have one you can afford. Not both.

Well, as my grandmother might say, that's "una cavolata!"

We can act, and we must.

You see, New York City's last twenty years has had its share of bad actors.

First, there are the slumlords – the folks who refuse to make repairs...letting housing decay...making apartments uninhabitable.

Then, there are predatory landlords – the people who take advantage of a red-hot real estate market – employing ugly tactics to push out moderate-income tenants to make room for wealthier ones.

These predatory landlords harass tenants by, say, intermittently turning off the heat or hot water, or by refusing to address simple matters of safety or sanitation.

That doesn't just violate the law; it violates our values as New Yorkers.

And we have tools to address these things.

When I was Public Advocate, we published the Worst Landlords Watchlist – targeting those who refused to make simple repairs to the units they controlled.

It helped spur change, with hundreds of buildings coming off the list after making needed improvements...and thousands of tenants getting the repairs they needed. I applaud Public Advocate Tish James for energetically continuing this effort.

And there's more we can do.

Albany has responsibility for enforcing our rent laws, but too often that doesn't happen. We need Albany to step up and enforce the laws aggressively. Now.

Every day in this city, people are losing their homes unfairly. Albany cannot wait -- we need help right now.

And we need stronger rent regulations that reflect today's New York.

To preserve our city as a place for everyone, we need to do more than ever to protect the one million rent-regulated apartments in New York. For so many, it's the only way they make ends meet...and the only path to the middle class.

If Albany truly believes in opportunity for all, they will strengthen our rent laws in 2015.

If they cannot do that, then we call on the State to provide the funding to help tenants...help themselves – by providing free legal services to victims of landlord neglect or harassment.

And even while we're calling on Albany to step up, the City will do its part.

So today, I'm announcing that in any of the areas in which the city rezones, if we find evidence that tenants are being harassed, we will supply those tenants with legal representation, at no cost, to take their case to Housing Court...to seek justice before a judge.

Protecting our tenants – through whatever means necessary – isn't just the moral thing to do. It's a critical step in making New York City a more affordable place for everyone. And we should thank the City Council for their historic support of legal services for tenants.

All of the steps on housing that I've spoken about today – from responsibly building UP; to placing new demands on developers; to providing affordable housing to New Yorkers who need it most; to targeting predatory landlords – it's all part of our new rules for helping people find a home they can afford.

Today we've focused on the number one expense in the lives of most New Yorkers. Reducing the expense of housing is absolutely critical to addressing the Tale of Two Cities. But we'll also fight on the other end of the equation.

Because nothing does more to address income equality than actually raising people's incomes.

There's one critical step that could do so much good. Raising the minimum wage.

Now Albany's shown some promising signs on this subject – but for it to be more than just talk -- and to have a real impact on the lives of those living in New York City – we need more.

The current minimum wage proposal simply doesn't do enough to help New York City. That's why WE will fight to raise New York City's minimum wage to more than \$13 per hour in 2016... while indexing the minimum wage, which would bring us to a projected \$15 per hour by 2019.

Why is indexing so important? Because it means that hardworking New Yorkers won't have to wait on new action from Albany just to keep pace with inflation.

It's difficult to overstate the positive impact this would have on working New Yorkers. Even for those that earn more than minimum right now, this action would create an upward pull on wages... an upward pull on opportunity.... and an upward pull on our economy.

Indeed, Henry Ford – the noted leftwing “socialist” that he was – wanted the workers on his assembly line to be able to afford to purchase the cars they worked to build. So he gave them a living wage.

I assure you, he didn't do it to be charitable; he did it because he knew it was good for business. I'd say it worked out pretty well for old Henry.

Creating more affordable housing; raising wages and benefits; strengthening our neighborhoods by better connecting them to jobs and opportunity – that is how we'll take on the Tale of Two Cities.

It won't be easy. And we know there will be critics who say it just can't be done... that our destiny is to be a city for The Privileged Few...not a city for all.

But New York is no stranger to facing big challenges -- and the many doubting Thomases -- and knows how to overcome them. In fact, we revel in proving them wrong.

Thirty years ago, in his 1985 State of the City Address, Mayor Ed Koch announced what was an unprecedented plan for affordable housing.

He understood the transformative power of city government to revitalize whole communities. His administration stated the clearly: "we're creating more than just apartments – we're re-creating neighborhoods."

There were those who said it couldn't be done. Historian Jonathan Soffer wrote of Koch's plan: "It was an extremely risky move. Some experts said at first that Koch's goal was 'inspirational rather than realistic.'"

Well, let me just say, I can relate. I've heard very similar criticisms.

But we know now that Koch's plan was realistic... in fact, it worked. And it had a transcendent impact on our city.

A city that was struggling and shrinking when Koch took office...turned around.

And so today, we face the challenge of a city in which more and more people want to live. It's a nice problem to have in one way, but it's a major challenge nonetheless.

We will not lose sight of why our city is a beacon for so many. It's not the cleanest place, nor the most tranquil. We don't have the best weather or many alluring natural landmarks. But we have something special, something unique: an idea at our core – a promise– that ours is a city...for everyone.

We are charged in our time with the sacred duty of keeping that promise... and we will not sit idle in the face of crisis.

John F. Kennedy put it well. He said: "There are risks and costs to a program of action. But they are far less than the long-range risks and costs of comfortable inaction."

Like the people this great city, our Administration is about action.

And we'll continue to lead a City government that reflects all that is great about the New Yorkers we are so honored to serve.

Your energy invigorates us.

Your compassion inspires us.

Your resolve compels us to move forward.

And, so – my fellow New Yorkers -- let's get to work. Now.

Thank you very much. God bless you all.

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