One year and one day ago, we gathered here in this room to usher in a new government -- a new government born of the 60-year struggle to consolidate the Princetons. As the first major municipal consolidation in the state of New Jersey in a century, we knew all eyes were on us. Would we be a cautionary tale, or a story of success? Would this marriage work?

Reducing costs and enhancing services through consolidation could inspire other communities to follow suit. Setting a positive example in Princeton could lead New Jersey away from the problems caused by what Alan Karcher, the late Princetonian and former speaker of the New Jersey Assembly, termed "Multiple Municipal Madness." Senate President Steven Sweeney came here at the beginning of the year to congratulate Princeton on its leadership and reaffirm the importance for the entire state of what we're doing here. In the fall, three school districts – in Lambertville, East Amwell and Stockton – voted to consolidate. Meanwhile, several other New Jersey towns, looking to Princeton, are starting consolidation studies of their own.

A successful consolidation is most important for all of us who call Princeton home. Pre-consolidation, the status quo meant steadily growing budgets, even in the face of cuts. Property tax relief remained elusive. One year and one day later, I am happy to report that consolidation has proven to be a success: costs are down while services have grown – the exact opposite of

pre-consolidation trends. Consolidation has provided tax relief, which is needed to maintain the economic diversity that makes Princeton great.

We've reduced the size of the budget; and we've lowered municipal taxes. We actually pay less in municipal taxes now than we did several years ago. Not only are taxes down, but services have increased despite the smaller budget. Residential trash pick up was expanded to include the entire municipality. The combined police force, while smaller in number, has restructured itself in order to offer more services. A stand-alone traffic unit can now focus on reducing speeding on neighborhood streets. The Safe Neighborhood Unit is free to dedicate itself to community outreach and preventative community policing.

Consolidation has also enabled us to avoid some major expenditures. A prime example is the Corner House move. Because of consolidation, we were able to relocate Corner House into existing facilities in the basement of the former Borough Hall. Previously, Corner House was contemplating a multi-million dollar building project, but now they can devote their fundraising energy to supporting their programming. In its new location, Corner House has become a model for teaching-oriented community behavioral healthcare organizations in the state.

With consolidation, we've physically moved around departments to create better synergies. Affordable Housing, Human Services, Corner House, the Health Department and the Senior Resource Center are all in close

proximity to one another now, leading to better sharing of information among departments and better access to services for residents.

Now that we have a one police force, a single public works department and a consolidated dispatch center, we can eliminate that extra layer of communication and coordination that took extra time and resources when we needed them most. We put a comprehensive emergency preparedness plan in place in 2013, and are better prepared to deal with major weather events, extended power outages, and other crises.

Consolidation has also jolted us out of autopilot and forced us to reexamine all our practices and develop a fresh set of operating procedures.

This year saw us adopt a new personnel manual and a new conflict of
interest policy. We adopted a police ordinance, and lay the groundwork for
accreditation of the new department. We negotiated a three year contract
with the police union, and we balanced fairness to employees and
consideration of the taxpayers while harmonizing salaries.

We agreed on how to use a consent agenda so we could focus our attention on non- routine matters. We posted agendas and back up material online in advance of our meetings to provide the public with the information they'd need to fully contribute to decision-making. We provided links to video from our meetings, and adjusted mid-course to make the preparation and adoption of minutes more timely.

As a new Council, we wanted to make sure we got off to the right start by turning to experts for training and advice: Bill Kearns and Marc Pheiffer led us through a primer on the Borough form of government; Alan Zalkind and Kathleen Cupano from Rutger's Center for Government Services helped to navigate team dynamics and set us on a path towards more effective governance; and Bill Kearns returned to review the law surrounding closed sessions and the importance of civility. We still have some growing pains, but are working hard to make 2014 an even more productive year for Princeton government.

We've also developed some new traditions. As we had planned to do this evening, we often start our meetings with school children leading us in the Pledge of Allegiance. I've instituted regular Meet the Mayor hours, which I plan to continue and expand this year to include Walk & Talks as part of the Mayor's Wellness Campaign. Another new tradition started this year was having the President of Princeton University sit with Council in a public meeting to discuss potential partnerships and lay the groundwork for respectfully working out disagreements.

Consolidation is not the only way in which Princeton has become a model for innovative government. We became more sustainable and we made the best of challenging situations, including the Avalon Bay development, the selling of the post office, and the proposed expansion of the Transco pipeline.

The three prongs of sustainability – fiscal, environmental and social – remained high on our agenda.

Princeton received a AAA bond rating – the highest you can get – from both Moodys and Standard and Poor, reflecting our prudent fiscal management. As a result of that rating, we were able to refund a package of bonds for a savings of close to \$1 million. We adopted a budget calendar to keep us on track for 2014, and with the help of the Citizens Finance Advisory Committee, will be drafting policies for debt management, capital spending and surplus in the coming year.

On the environmental front, we worked with the Planning Board and Environmental Commission to develop a green building checklist. It is being used by Avalon Bay to help make their development more sustainable; and is required to be used by all developers to help shape the impact of new construction. We formed a Municipal Green Team, which is working with Sustainable Princeton to acquire points toward Silver Certification. A tree inventory of Princeton's 19,000 street trees was completed this year. The survey allows for better control of disease, and better planning for replanting in order to maintain Princeton's beautiful tree-lined streets. We are working on a community forestry plan, and a trail plan for the recently expanded Princeton Ridge Preserve. The municipality partnered with the county and land conservation groups to permanently preserve an environmentally fragile 4.3-acre property once proposed for a condominium development. The Klepper property is now permanently

preserved open space, and provides a vital link in the network of greenways that are being created in the Princeton Ridge.

Sustainable Princeton launched an "EnergySmart Homes" Campaign, offering low-cost energy assessments to Princeton residents and businesses so we can save on heating and cooling bills – while at the same time reducing emissions.

The number of households participating in the curbside compost program doubled in size. Those 800+ households diverted nearly 300 tons of waste from the landfill in 2013.

On the to-do list for 2014 is a municipal vehicle inventory. The inventory will allow us to make more informed decisions about reducing the size of our fleet, and the fuel-efficiency of the vehicles we purchase.

Princeton's Neighborhood Bus Service, the freeB, now runs six days a week (Monday – Saturday) and has extended its hours. A beautiful interactive map of current transit options – reminiscent of the London Tube map -- is available on the princetonnj.gov website to facilitate trip planning.

One of the many benefits of consolidation has been better collaboration among the different agencies providing public and affordable housing. The Housing Authority now provides a social worker to help with resident concerns at Redding Circle and at Clay Street. The Avalon Bay

development will provide for the addition of 56 affordable units to our inventory, with 13 percent set aside for very low income residents.

Back in 2011, the outreach subcommittee of the Consolidation

Commission held dozens of community meetings to solicit feedback and hear concerns. One of the most common fears raised in these sessions was what the impact of consolidation would be on our police force, especially with regard to relations with the African American and Latino communities. The police have proven themselves this year to be sensitive to that perception, and have worked diligently to build relationships of respect and trust – within these important communities, and also with our merchants, the schools, and Princeton University public safety.

One of the significant successes of 2013 has been the development of a formal agreement of operational cooperation between our police department and Princeton University's public safety department. Our town was one of the very few college towns in the entire country that did not have a written agreement with its corresponding campus security. Because there was no agreement, officers from the police department and officers from Princeton University public safety would sometimes both respond to an incident and be forced to make up the rules on the fly as to who was in charge.

Now we have a formal agreement that clearly spells out the protocol for each type of situation. The former uncertainty and tension between the two forces has evaporated, and the relationship has dramatically improved.

Both the bomb scare in June, when the campus was evacuated, and the reports of gunshots at Nassau Hall in the fall were handled jointly in an efficient and coordinated way. Fortunately neither incident was a true emergency, but the effective response to them revealed a new level of public safety coordination that will serve us all well.

This year has seen the departure of several long-time department heads — Cynthia Mendez in Human Services, Dave Henry in the Health Department, Dave Dudeck in Police, and Don Hansen in Public Works. In some cases we've welcomed new employees — Elisa Niera has hit the ground running in Human Services. Among many new initiatives, she and the Human Services Commission are reaching out to the under-served in our community through a Community Needs Assessment, which will help guide the department's efforts in the coming years.

Bob Hary is serving as our as interim Health Officer. He's done a tremendous job in working closely with Princeton University, the State Department of Health and the CDC to coordinate the response to the meningitis outbreak on the university campus, and we are thankful to have his expertise at this critical time. We are planning for potentially more retirements this year, as some of the benefits available to former Township and Borough employees are set to expire. We have a strong organization of dedicated, capable employees, with traditionally low turnover, and it is imperative that we develop succession plans that retain knowledge and expertise so transitions feel seamless and the high level of service residents expect is maintained.

This year also saw us through several major road and sanitary sewer projects. Quaker Road, Ewing Street, and the Westerly Road Sanitary Sewer project were completed. Work on Moore Street, Park Place, Vandeventer Avenue, Branch Alley and Willow Street will wrap up in 2014.

The public works department picked up all the fall leaves on schedule – an unusual feat in either of the former municipalities. Using the phone system to notify residents ahead of pick up times seemed to work, and will be continued next year. Council will also be reviewing the brush pick up schedule in the coming months so we can continue to make improvements.

At the start of this year, we faced a lawsuit from Avalon Bay over the Planning Board's rejection of their initial, monolithic design. They agreed to go back to the drawing table, and resubmitted a plan that better addresses community concerns. Plan B now has five buildings instead of one, including townhouses along Franklin Avenue. A new street connecting Henry Avenue to Franklin offers permeability. And the pocket park, now to be built on the corner of Witherspoon and Franklin, is larger in size. Avalon Bay also plans to work together with the Arts Council of Princeton to install public art at the site. Princeton Citizens for Sustainable Neighborhoods did not always see eye to eye with the municipality, but I want to thank them for their tireless advocacy in helping to make this project greener, more open, and more attractive than had originally been proposed.

I also want to acknowledge the citizens group, the Princeton Ridge Coalition, for their continued advocacy for safety and environmental protection in our dealings with Williams over their plans to expand the Transco Pipeline. Thanks to the citizens group and the work of our engineering department, Williams has agreed to several significant accommodations this past year: they will stay within the existing clearing — as opposed to doubling the size of the easement and fragmenting the forest — and they have also agreed to shut down the existing pipeline during some parts of construction.

We've also tried to make the best of a bad situation with the selling of the Palmer Square post office by the US Postal Service. We worked in conjunction with Princeton University and Congressman Rush Holt's office to convince the Postal Service to relocate downtown. We succeeded – the post office will keep a downtown presence on Hullfish. Meanwhile, we will be working with the eventual purchasers of the historic post office building to ensure they respect its historic nature and comply with our zoning for the site, which is for restaurant and retail.

For the past couple years, Princeton's ability to enforce its zoning and land use laws was under threat by Assembly bill 2586 -- which would have exempted Princeton University and the other private institutions of higher education in town from the town's land use regulations. With the help of Assemblyman Jack Ciatterelli, the New Jersey League of Municipalities, and in collaboration with similarly impacted towns, including Hoboken, we were able to stall it in committee. We still remain vigilant, but as more

information about the true impacts of the bill reached legislators, support appears to have waned.

None of the accomplishments this year would have been possible without the hard work of many of my colleagues here on the Council and the hundreds of volunteers who serve on our boards and commissions. I also want to thank our dedicated staff. Thanks to all of you for helping us to achieve our goals, and I look forward to working with all of you in the coming year.

Another new tradition started in 2013 was to start the year with a priority setting session of Council. We came up with a list of over 200 priorities, much of which, surprisingly, we were actually able to get to this year. Council plans to hold another goal setting session this year, but we will attempt to narrow the list to single year actionable items, and to the keep the list to a more manageable length. Among the projects and priorities I see for the coming year, in addition to the ones I've already mentioned include:

- following up to the Council meeting with Princeton University President Chris Eisgruber to explore new collaborations, especially in the areas of diversity, sustainability, and transportation;
- making sure our fire department has proper capacity at its consolidated location on Witherspoon Street;
- helping the first aid squad find a location to bring their facilities up to date;
- collaborating with our neighbors and the DOT to relieve traffic congestion on Route I without exacerbating traffic on local roads;

- creating strategic plans for our police and IT departments
- and continuing the necessary work of harmonizing our ordinances

I wanted to end on a bit of a personal note. One of the privileges of being mayor is being able to perform weddings. That took on special significance this year with the legalization of same-sex marriage, something this Council had been vocal in supporting. Thanks to Councilwoman Heather Howard, our Health Department was ready to process applications within hours of the court decision. That allowed our residents to not wait a second longer for their equal rights, and allowed Princeton to be the first town in Mercer County, and among the first in New Jersey, to host a same sex marriage.

A couple weeks after the ruling, I was walking across Hinds Plaza when I ran into one of the women whose wedding I had officiated. I asked her how married life was treating her — she has been together with her wife for decades — and she joked in true married fashion, "I want a divorce!!!" I said, sorry, I don't do those…

Princeton's consolidation has been compared to a marriage – and now that we're hitched, after decades of dating, I'm happy to say we're enjoying the fruits of our union! As we enter year number two, I think we will continue to validate — and improve upon — our long and historical relationship, and prove that the sum is greater than the parts. As pioneers, we will continue to chart uncharted territory, and, continue — in the great Princeton tradition — to make history.

Thank you!