

2015 State of the City Address

PARTNERSHIPS AND PROGRESS

Mayor Pauline Russo Cutter

March 30, 2015

Hello....I'd like to welcome everyone to our 2015 State of the City Address

During my campaign for Mayor, one of the key themes I highlighted was that in order to have good governance, one must have strong partnerships. There is no way a single individual can possibly get all of the work done or complete all of the projects alone. Accordingly, I wholeheartedly believe that one of the keys to being a successful leader is to work collaboratively with people to achieve common goals.

Our community is undergoing a physical transformation that took many years of planning and hard work... by countless numbers of individuals and organizations. And thanks to the new funding streams that our local voters so resoundingly authorized this past November, all of this work is setting San Leandro on a course for a very bright future. Yet none of this progress would be possible if it weren't for vision, persistence and partnerships. That said I would especially like to thank the Mayors, city councils and City staff that have come before me who helped position us.

Looking forward -planning for our future- it is important to remember where we have been. Our community is becoming more vertical with many great new projects in some very familiar locations. Indeed, just look at

- **Kaiser Permanente**, which has completely transformed the site of the former Lucky's distribution center that was vacant for 12 years. This project alone is bringing close to \$1 Billion dollars in new investment and 25 hundred high quality jobs. We look forward to working with Kaiser as the additional 25 acres are developed on that site.
- And on the innovation front, there's **The Gate**, which is located on the top floor of the former Dodge/Chrysler plant, and which has brought national attention as the largest 3D manufacturing hub under one roof anywhere in the world.
- In our downtown, construction has just begun on **The San Leandro Tech Campus** on the site of the former Del Monte Cannery. Once all phases are complete, the campus will house three ---6-story buildings --comprising up to 500 thousand square feet of new class A office space. This represents a 50 million dollar investment in the first phase alone, and up to 1,800 new quality jobs, all within a short walk of public transit.

- And then there's **The Village**, which has brought some excitement to the area by transforming the old Albertson's Grocery site on East 14th Street that had been vacant for 9 years. This 23 thousand square foot development is now home to a sparkling new CVS, Peet's Coffee, Habit Burger and the AT&T store, along with a Chipotle right across the street, which together represents over 10 million dollars in new investment right in the heart of our downtown.
- And of course there's **21st Amendment Brewery**, being constructed within the former Kellogg's factory that was vacant for 16 years. Once completed, this will be one of the largest breweries anywhere in Northern California, representing a 21 million dollar investment that will create over 100 new jobs.
- And very noticeable with their beautiful mural facing San Leandro Boulevard is **Preferred Freezer**, a 240 thousand square foot facility which opened its doors on the site of the former Hudson Lumber Company, a site deserted for 15 years. This project represents a 48 million dollar investment that will create 100 new local jobs.

Once built out, all of these developments and others will bring over 5,000 new high quality jobs to San Leandro. And the reality is ...that these new jobs will also create pressure for new housing.

- Fortunately, **The Marea Alta Apartment building**, currently under construction at the former BART overflow parking lot, will include up to 115 units of workforce and family housing, followed by 85 units for seniors, along with a child care center.

In short, although some of San Leandro's legacy businesses are no longer with us, we have lured in over a billion dollars of new investment that has transformed those sites into modern engines of economic development.

As exciting as all these projects are for San Leandro, it is also important to recognize that a City is made up of more than just new development.

[HEADER] A Vision for the Future

Each January our City Council adopts goals which guide our budget and reflect our values as a community.

Our vision for San Leandro is to be one of the best places in the Bay Area in which to live, work, play, and learnand to accomplish this takes planning.

[HEADER] Planning for the Future

As such, we currently have over 2 million dollars invested in long range plans that include:

- A new **General Plan Update**, which will guide future growth and development in our city for the next 20 years. This document will also include our recently adopted **Housing Element**, which will help us plan for growth in the years ahead.
- Looking at the south end of town we have much potential near the BayFair Center, seeing the new interest in the area from stores such as BevMo!, DSW Women’s shoes, and Ulta Beauty Supply. But we want more... So in partnership with Madison Marquette, BART and Alameda County, we are now moving forward with the **Bayfair Development Plan**, which will evaluate all of the potential opportunities in the area. This plan will also allow us to support the Bayfair Center and attract the businesses we want in San Leandro.
- Another very important plan relates to our Marina with the **Shoreline Development Master Plan**. This plan is designed to lay out the long term vision for the redevelopment of our shoreline into a place for market rate housing, as well as restaurants, lodging, outdoor recreation, meeting spaces and a new library.
- And connecting several different neighborhoods throughout our community and Oakland, we have San Leandro Creek, which truly is a “hidden jewel.” In order to make better use of this natural resource, the City is moving forward with the **San Leandro Creek Master Plan**, which could one day lead to better public access to this beautiful water way.
- And lastly, we have the **Next Generation Work Place Study**, with the goal of making San Leandro inviting to all generations, this plan will guide the transformation of San Leandro’s industrial area into a vibrant, innovative and attractive 21st century workplace.

[HEADER] CHALLENGES

In spite of all these great projects and long range plans that are underway, our city also faces challenges that need attention, including:

- Keeping the public informed about all that's happening in the community and at City Hall;
- Keeping San Leandro safe from crime and prepared for the next disaster or emergency event
- Fixing our local streets and roads
- Educating ourselves about the effects of climate change
- Addressing our need for more housing
- Continuing to weave a safety net for those residents most in need
- And one of the city's biggest long term challenges, one that I consider very important yet not often talked about, is our unfunded liabilities, which are approaching nearly \$158 million dollars.

HEADER – STRATEGIES TO ADDRESS OUR CHALLENGES

I feel it is important to share the city's challenges with you as well as some of the strategies and action plans our Council and team at City Hall have for solving them:

Header - The Importance of Listening

As Mayor, I whole heartedly believe that one of the most important steps in addressing our challenges is to first LISTEN to the community and learn all you can about an issue.... which in turn leads to better and more informed decision-making.

The Importance of Communication & Public Outreach

And in order to hear from our residents and get their feedback, I believe it is absolutely critical that the community be aware of the issues that we face. Our outreach to the community has to be rigorous and multi-level. In our effort to improve that communication we are adding a position in the City Manager's office in July which will help us meet that goal. In addition we have:

- Our city website
- Press releases
- Televised broadcasts of our city council meetings;
- An increased presence on social media sites like Facebook, Nextdoor and even Weibo, which is a social media site for the Chinese speaking community;
- As one of the most diverse cities in the United States, we have expanded our translation of materials in other languages;
- Each year, we also host several District Town Halls and other community engagement events that target certain issues

Ensuring Public Safety & Emergency Preparedness

And of course in addition to listening carefully and communicating with the public, one of our top priorities as a city government is to ensure public safety, and we take this responsibility very seriously.

In fact, public safety is the number one subject that comes up in discussions with the community, and I believe it is the Council's job to make sure we keep the public and our first responders safe. And we do this by making sure our Police and Fire personnel are well trained, and also by making sure that they have the tools and equipment they need to do their job safely.

Over the past five years, we have made numerous investments in public safety, such as funding 7 new police officer positions, including 2 **School Resource Officers** thanks to a 250 thousand dollar grant from the federal government that was made possible with the support of US Senators Boxer, Feinstein, and Congresswoman Lee. And thanks to our partnership with our Downtown Community Benefits District, we plan to add an Officer who will support the downtown area.

Last year, our City Council also authorized new funding to outfit our patrol officers with **body cameras**, which provide enhanced protections for both the public as well as the police when they interact with one another. I'm proud our police department is leading the way by using up to date technology in their work.

But as we provide these new tools to our first responders, our city council has also heard very clearly from our residents that they want these tools to be used correctly. It is therefore very important for the City Council to provide close oversight and good policies regarding how these tools are used in the community.

The goals of Community Policing are firmly engrained in our Police Department, and given recent events that have taken place across the nation, it is now more important than ever for us to continue to engage with and listen to feedback from both the community as well as law enforcement personnel. This type of communication is what builds trust- and that trust represents the cornerstone of how we keep San Leandro safe.

Investments in Infrastructure, Transportation & Environmental Protection

The condition of streets, roads and infrastructure is important in any city. Although experts currently rate our streets among the worst in Alameda County- that is about to change - thanks to the voters in the county with the passage of Measure BB and in San Leandro with the

passage of Measure HH. As a direct result of this funding, I am pleased to report that our Capital Improvement Plan will include more than 35 million dollars over the next five years to repair local streets in our neighborhoods. And as a member of the Alameda County Transportation Commission, I am making sure that San Leandro has a voice when decisions are being made regarding Measure BB money.

I want to take a moment to say a special thank you to the neighborhood around San Leandro BART where the parking is really impacted and will be until the new garages are completed in 2016. And I'd also like to thank the folks who live nearby or use the Marina and Davis Street overpasses every day for tolerating the frustrating traffic jams created by the construction there. As we will be doing more and more construction and road repairs around our city, please remember this is a good problem to have - it means our roads are getting fixed.

Now for the infrastructure that isn't always noticed-I am pleased to announce the \$54 million dollar expansion of our **Wastewater Treatment Plant** is almost complete. This is an important step to make sure the system operates efficiently with all of the latest technologies designed to protect public health.

As the current President of Stopwaste.org and the Alameda County Energy JPA, I can also assure you that our city remains committed to leaving a smaller footprint on the Earth as we continue to be leaders in **recycling and solid waste disposal**. The City is proud to partner with Waste Management who will be moving forward with their investment of over 100 million dollars in upgrades to their facility, guaranteeing that more recyclables will be diverted from the landfill.

Reducing our carbon footprint is so important when thinking about the San Leandro we will leave for future generations. Along these lines, next week our Public Works Department will begin moving forward with developing a comprehensive plan to reduce energy use across our entire city.

And in response to the ongoing statewide drought, we continue to explore new **water conservation measures**, including the expanded use of well water and upgrades to the Marina Golf Course watering systems and managing our green space

And in partnership with Kaiser Permanente, the **Links Shuttle program also expanded its service this month** to provide faster and more frequent stops along two separate routes, which encourages more workers to leave their cars at home.

[Investing in New Housing & Upgrades to City Parks](#)

Although San Leandro continues to offer great value as a place in which to buy a home, our community is not immune to the regional housing crisis that is making home ownership increasingly difficult for many to achieve. To plan for this, we have a number of projects in the pipeline...that when added together...will lead to the creation of over 600 new housing units.

And because of these efforts, we were able to secure a 1.4 million dollar state grant, which, when matched with city funds is allowing us to invest millions of dollars in city parks. This work will include a 3.5 million dollar renovation of Siempre Verde Park, as well as major improvements to Thrasher Park and a new Downtown interactive exhibit in partnership with the San Francisco Exploratorium.

Access to Social Services

Although it feels as though we are finally seeing real signs of recovery from the Great Recession, there are many members of our community who continue to rely on outside assistance. We are fortunate to have agencies such as Davis Street Resource Center and Building Futures with Women and Children to refer folks to. In addition to the 150 thousand dollars in funding that the city provides each year to our non-profits, the Council is considering allocating an additional 400 thousand dollars to help organizations who provide services to the elderly, victims of domestic violence, children, and the homeless in San Leandro.

After a robust dialogue with the community, we are now in the process of moving forward with the implementation of our medical cannabis dispensary ordinance, which will lead to the opening of a new dispensary. Although we have not yet selected who that operator will be, an important part of our decision will rest on the dispensary's commitment to being a contributing member of the community. Looking ahead to 2016, we will also begin a dialogue to see if our voters have interest in creating a special medical cannabis tax, which could further assist social service programs and the arts in our city.

Strengthening the City's Financial Condition

Just as a household must ensure that its finances are in sound order, so too must our City continuously strive to ensure that we are managing our finances in a prudent and responsible way.

As a result of the Great Recession and the loss of redevelopment, difficult decisions were made that ultimately led to the loss of 20% of the City's workforce. We are getting stronger but the City has largely refrained from adding back those positions.

And why is that? Because, just like a household must plan for its immediate needs and set aside money for future necessities, so too must our City have plans in place to address our long

term debt and unfunded liabilities. I am proud to say that with the support of our employees, we have made significant progress, including the adoption of labor contracts that commit all City employees to pay their own share of their retirement costs.

I believe it is our responsibility to start reducing our unfunded liabilities which are continuing to rise. In addition to paying our full required payment, I want to work with our Council to use money from good years when revenues exceed our projections to help pay down this debt.

The City must also maintain healthy reserves so that we can respond to emergencies or other unforeseen events. And the council is on target to reach our goal of maintaining a reserve representing 20% of our general fund.

And as a testament to our sound financial practices, Standard and Poor's increased our credit rating, which has the potential to save the City hundreds of thousands of dollars in future borrowing costs. In addition, this past year, the City was able to take advantage of historically low interest rates by refinancing its debt obligations, which will save us \$6 million dollars.

[HEADER] THE FUTURE

Now as we look ahead to the future we will rely again on partnerships to continue our forward momentum.

As a city we collaborate with many regional government agencies such as CalTrans, AC Transit, BART , ACTC, Port of Oakland and Oakland Airport, which help make it easier for San Leandrans to travel and for businesses to thrive.

Our partnership with the Chamber of Commerce and businesses is vital to the city. I can't stress enough how much we value the contributions of our long standing businesses who make up the back bone of the city. In partnership with them as well as the recently formed Community Benefits District, we will continue our **investments to spruce up our city**, including better lighting, more art, more plants and flowers, and continuing to fund our **façade improvement program** for businesses.

By this summer we will also have a **downtown Wi-Fi program** firmly in place, which will provide free, high-speed internet access to the public over four square blocks of our downtown. . Looking further ahead we hope to be able to offer free Wi-Fi access throughout all of our city-owned facilities, including the Marina Community Center, the Senior Community Center and over 20 City parks.

And speaking of Wi-Fi, our affiliation with Dr. Patrick Kennedy and Lit San Leandro continues to open many exciting opportunities for our city.

Whenever I talk about this project, I try to stress the important role infrastructure plays in promoting investment and development. According to Dr. Kennedy, when we look back at the 18th century, seaports were critical in ensuring the development of the United States; in the 19th century it was railroads; and in the 20th century it was highways and airports. And today, ultra-high speed broadband access has become just as important.

Our Lit San Leandro fiber loop went live a little over three years ago, and by all accounts the system has been a resounding success for all of the businesses who are connected. And an **additional 7 miles of the loop** will soon be completed thanks to a \$2.1 million dollar federal grant.

Later this year, City Hall will be connected to the loop, providing the city with internet speeds that are twenty times faster- at half the price.

That alliance with Dr. Kennedy ...and the fiber strands the city controls ...has allowed us to share some strands with schools in the San Leandro Unified School district, allowing us to hook up 15 school sites, providing them with an important tool to address the digital divide. We hope to expand that opportunity to all schools in the city.

The City's **support for schools** is unwavering and comes in many ways. We are looking forward to the opening of the student health center across from San Leandro High this fall.

Just as health is important to students, so is it for everyone. The opening of the Kaiser hospital has been a real game changer. Those in our community who are Kaiser members now have the convenience of a full service hospital right in their town; in addition Kaiser Permanente provides for community events such as the Cherry festival and health fairs, which benefits us all.

Looking ahead, we are building a complete ecosystem of health care that that includes Kaiser Permanente, San Leandro Hospital, the new Student Wellness Center, Davis Street's new Bill McCammon Health Clinic, and coming soon, a new Medical Cannabis Dispensary.

Community Beautification and Preservation is also on our to-do list for the years ahead, which includes major restoration work at the Casa Peralta.

And in an effort to provide a vibrant **artistic and cultural life we have recently** created an Arts Commission, who will assist us in bringing even more art into our lives. These efforts will be further enhanced by the **re-opening of the City's performing arts theater in the Helen Lawrence building** later this year.

San Leandro is also becoming a destination spot for the **craft brewing industry**. Drake's has now been operating in our community since 1989, along with several brewer supply businesses. And with the pending completion of 21st Amendment as well as the opening of Cleophus Quealy, our city is now known as a home for the craft brewing industry.

AndWe will continue **keeping our eyes on our neighborhoods** by providing funding for programs such as sidewalk repair, earthquake proofing your homes, street lighting improvements, and neighborhood nights out - and of course - fixing that pothole on your street.

[Header] **SAN LEANDRO IN THE CENTER OF IT ALL**

I am making connections with Mayors and others from the cities in our area especially on San Leandro's borders so we can work together on projects that will benefit the region. And then if concerns pop up.... these solid relationships will go a long way to help us find solutions.

Our expectations for San Leandro are high, and with our partners we can take our city to the next level, all the while making sure that our city is one that reflects us. Supporting our neighborhoods and faith based organizations, having stores where we want to shop, restaurants we want to eat in, green space and parks to play in, quality education for all ages and above all a safe city to grow in. Our future is bright when we all work together.

TO CONCLUDE I would again like to thank Innis Free Companies, Kaiser Permanente, AC Transit and the Chamber of Commerce for sponsoring tonight's event.

Thank you to Eric Engelbart, Yolanda Carrasco and City Manager Chris Zapata for working with me to get this message out. And a special thank you to my family for the steady support they have given as I became Mayor, for the advice they so willingly give about the needs of the city and the events they attend with me. It is gratifying to me to see my family so involved and excited to help, and a special thank you to my husband Scott for his understanding about the amount of time it takes for me to do this job. Thank you

Thank you also to our board members & commissioners, city employees, community partners, my council colleagues, and most importantly our local residents for all that you do to make San Leandro such a wonderful place in which to **live, work, play, learn**, and raise a family.

THANK YOU