

Good Afternoon fellow residents, friends, and honored guests.

Congratulations to the Glendale Chamber of Commerce for another fantastic year!

I have served as your Mayor in years 2008/2009 and 2010/2011. Here it is- 2016, and we have managed to successfully recover from an economic recession that had a severe impact on our quality of life. As I stand here today in my third term as Mayor, I am tremendously proud to say that Glendale didn't just survive the recession - We pulled together. And in the midst of the economic chaos, we as a community came out smarter and stronger!

City Hall today is trimmer and more efficient than ever before. Our reductions included the elimination of 406 city employee positions, a reduction of almost 25% of the City's public workforce, and we reduced Glendale's operating budget by \$29.5 million. – Yet, we are still able to offer exceptional service that is comparable to or exceeds any municipality in the region.

Being fiscally responsible provides us a platform that delivers a strong return on our investment. Economic indicators for Glendale show that the economy is continuing to grow. Glendale is considered the most desirable cities in LA County -- and has experienced a 14% increase in median home sale price over the past year!

The median home sale price in 2015 was \$668 thousand compared to \$584 thousand in 2014!

Sales tax revenues have also increased by \$3 million or 8.6% compared to the year prior. New office tenants, shopping and restaurants are clustering to Glendale, largely due to our pro-business approach and aggressive marketing.

- New car sales +20.5% over 2014!
- Fine dining +55.9% over 2014!
- Electronic Appliances +27.4% over 2014!

The city recorded operating surpluses in fiscal years 2014 and 2015. A growing economy that is seeing increased real estate and sales transactions, increased property values and investments. In fiscal year 2015, we are pleased to state that the adopted budget featured a \$2.7 million surplus.

We are an economic engine!

Glendale's Class A office occupancy continues to be on par with the region. As of September, Glendale has 19 available industrial spaces of 612 properties throughout the city. When we reflect on Glendale's economic vibrancy, we see that commercial, retail, and industrial property vacancies are reaching historic lows for the sixth straight year.

- Vacant available Class A office space is down -- 12.7% vs 15% in 2014!
- Vacant available retail space is down 2.7%, reduced from 6%
- Vacant available industrial space is down 1.4%, reduced from the five year high of 3%!

There are a number of projects coming to fruition, to include the Armenian American Museum, Laemmle Theatres, the Antaeus Theatre Company, the Masonic Temple retail, and of course, the Central Library renovation that will be a major anchor to the City's Arts and Entertainment District. Grand Central Air Terminal, the Museum of Neon Art, Central Park Paseo, Buffalo Wild Wings, Masonic Temple, Equinox, the Alex Theatre, and Scott Ochoa's King Taco.

Glendale is also proud to welcome a myriad of upcoming hotels to the City, such as Holiday Inn Suites, Hampton Inn, and Hyatt place; and the promise of at least 2 boutique hotels, such as Hotel Indigo and AC Hotel currently in the feasibility stages.

In an effort to identify and attract tech companies, Glendale, identified ELP Advisors to study the existing technology base and to develop a strategy to attract and retain these businesses and employees.

We also recently collected input about Montrose in the form of a survey that will help the City develop a blueprint to achieve the priorities identified by both the business and visitor community – which will ultimately be developed into a five-year strategic business strategy.

Ensuring that the needs of all people moving through the City are met, Glendale has made great strides that will improve the City's mobility options, while incorporating best practices to promote multi-modal transportation.

We fought the planned 710 freeway tunnel development;

And in my role as MTA Board Member, we welcomed the first-ever Metro express bus linking the San Gabriel

Valley to the San Fernando Valley – Called the Noho Pasadena Express.

Also as a Board Member, I formally proposed and moved to officially review exploring alternatives to the recently published route reconfiguration of the Burbank-Glendale-Los Angeles Rail Transit Project.

Glendale is also fortunate to have a thriving arts community. We just closed our request for proposals for the public art master plan consultant. The Public Art Master Plan will ensure responsible stewardship of the \$4.5 million dollar Urban Art Fund and will help further Glendale's vision of a community rich in cultural offerings.

Earlier I mentioned that property values are going through the roof. To that end, we need to make sure that we are maintaining economic diversity and affordability. Glendale is home to two newly completed affordable housing developments - Habitat Chestnut and Veterans Village. These two unique projects represent an extremely efficient use of Housing Authority funds that provide ownership housing for low-income households and a 44-unit property with resources for military

veterans and their families previously at risk or struggling with homelessness.

*On that note, please come join me next week at the grand opening of the Veteran's Village community on April 5th at 10:30am.

And while all the glitz and glam of Glendale is truly great, the pipes and pavement which leads the way are just as strong.

Glendale's current pavement condition for local streets and roads is 73.9. Recently, we completed infrastructure projects to include the Canada Boulevard, Honolulu Avenue, Colorado street, Parking lot 10, the Central Park Paseo, Glendale Avenue, and Arden Avenue.

This year, Glendale Water and Power ranked as one of the most reliable utilities in the Nation. The report stated that GWP customers can expect less than one outage per year as opposed to the average 1.24 outages. It also ranked GWP in the top 10% with average system outage duration of 37.74 minutes; significantly below the average of 132 minutes.

To achieve anything worthwhile, we need to attempt even those things that may seem to be impossible. While it will not be easy, the Space 134 project is an amazing opportunity for the City to create space where today stands only a dividing gap. The “freeway cap park” over the 134 Freeway will connect the community to the City's civic, cultural, and business core through public open space and pedestrian and bike friendly trails. The project is Glendale’s greatest indicator of optimism for a prosperous future.

This year, we partnered with the Glendale Unified School District and launched ‘One Glendale’ - an after-school youth sports program dedicated to enriching the lives of Glendale youth through organized athletics promoting a healthy lifestyle. Participants are 4th and 5th graders from local elementary schools - Cerritos, Mann, Marshall, and Edison – and we hope to further expand this program into additional schools.

And, in an effort to keep the community engaged and reinforce Glendale’s emphasis on transparency through a variety of platforms, we have launched MyGlendaleCityNews.ORG -- through social media, newsletters and outreach efforts we increased visits to

our city website from 2.5 million to 5 million over last year. People are paying attention to us.

We recently completed the 2016 Citizen Satisfaction Survey.

The survey indicated that residents are quite satisfied with local services and very satisfied with their quality of life and the city. An overwhelming majority of survey respondents also have a positive view of living in the city. The survey demonstrated that 93% of community members are either “satisfied” or “very satisfied” with city services. The top four rated city departments include: Fire at 93%, Police at 90%, Community Services and Parks at 87%, and Library, Arts and Culture at 85%. The vast majority of respondents ranked Glendale very highly as a community. As one statistician put it, he has never seen a City doing this well overall.

Now, not everything is so rosy. We have our challenges.

Still reeling from the elimination of the Redevelopment Agency -- the State Department of Finance had approved and reinstated the Redevelopment Agency loans, but then decided otherwise. After suing the state of California not once, but twice, members of the City

Attorney's Office and the Community Development Department returned victorious from a Sacramento court. That's a ruling by a judge -- the state of California owes Glendale \$42 Million dollars over the next 10 years. Unfortunately, we have yet to see those funds deposited into our bank account.

Our Police Department has been challenged. Statistics reveal there is a correlation between the increase in crime throughout the region due to the Public Safety Realignment Act (AB 109) and Proposition 47. AB109 called for release of certain non-violent, non-serious and non-sex offenders into the general population, while under Proposition 47, all drug possession crimes and theft of less than \$950 were reduced to misdemeanors.

In 2015, Glendale experienced a 14% increase in Part 1 crimes compared to 2014. What does separate us from others in this time of increase is that we are identifying and arresting the perpetrators.

The Police Department has and will continue to fight crime through creative and strategic planning. We have recently implemented the Community Impact Bureau - and in order to help the homeless and those suffering from mental illness, a clinician from the LA County

Department of Mental Health and an outreach specialist from Glendale will be assigned to work with our Police Officers. Even with these mentioned legislative changes, I am happy to report that Glendale is still one of the top ten “Safest Cities” in the state of California.

And to address our medical needs, our Fire Department has begun to implement the community paramedic program in partnership with the Glendale Adventist Hospital to reduce the number of return visits to the emergency room. By providing a home visit by a specially trained community paramedic, Glendale Adventist had the lowest readmission rate in December 2015 [down to 6%!]

Our biggest challenge that we are facing comes on June 7th. Election day. Yes, my colleague Councilwoman Laura Friedman and City Clerk Ardy Kassakhian are running for State Assembly, and yes, I am running for County Board of Supervisor, BUT -- please pay attention to the most important issue on the ballot for the City of Glendale -- that is Measure N. A referendum on the City’s longstanding Utility Users Tax (UUT) will be held, threatening funding for police, fire, parks and library services. If eliminated, it will leave a 17.5 million dollar

hole in our General Fund, which in turn, will have an impact on our service levels.

Glendale's UUT has been in place since the 1960s and was ratified by 66% of Glendale voters as recently as 2009. The elimination of the UUT is too important to not get it right.

If we were to lose the UUT revenue, for example, scenarios range from an across-the-board 10% reduction for each General Fund department, cutting the budgets to Police, Fire, Parks and Library, Arts & Culture to the tune of 17.5 million dollars.

It would mean the reduction or elimination of services and cripple the Police and Fire departments as we see them today.

The Community Services & Parks Department would see closures at the community centers and the elimination of all programming. The Skate Park and Public Pool would be closed.

The Library Department would similarly face significant reductions resulting in the closure of four branches.

The Community Development Department would see the elimination of Design Review, Historic Preservation, and Community Outreach unit; there would be a reduction of Concierge Services, a reduction in Code Enforcement, and Licensing.

The Police Department would be forced to eliminate 53 full-time sworn police officer positions..

The Fire Department would see a reduction in engine and truck companies equating to slow response times, lack of sophisticated services, or the closure of fire stations.

What does this 17.5 million dollars cost the average resident of Glendale? -- \$7.00 a month. Or, for a family of four, \$28.00 per month.

I truly believe that these challenges are really just opportunities to draw the people closer to their government and best understand how we can serve you better.

To learn more about your city, go to ThisIsMyGlendale.com. To educate yourself and others on Measure N, please go to GlendaleUUT.com

Let's not forget who we are, what we do, and how we do it. We have been recognized as the most business friendly City by the LA County Economic Development Corporation, and a number of accomplishments have followed suit throughout the year, to include:

- The American Society for Public Administration for Outstanding Organization and an award for innovation in Government for our Work Boot Tuesday Meetings.
- The Los Angeles Conservancy's Preservation Award for Brand Library;
- The Outstanding project of the year award for our Glendale Avenue Wastewater Capacity and Street Improvement project.

There are many more.

I am tremendously proud of the team work involved when delivering services to our diverse and vibrant community.

Let me close with a very big thank you to all of you and the Glendale Chamber of

Commerce. Let's all give each other a round of applause for the teamwork we have all achieved.

I have had a wonderful year serving as your Mayor. I could not be any more proud of our accomplishments. And on behalf of my colleagues, please turn your attention to the screens.