

2023 STATE OF THE CITY
MARCH 29, 2023
PALM EVENT CENTER – 1184 VINEYARD AVENUE
10:30 AM – VIP RECEPTION
11:45 AM - PROGRAM

Thank you, Jill, and good afternoon, everyone. As the Mayor of Pleasanton, I am excited to be here today because this is my **FIRST in-person State of the City address**. We are here to talk about all of the things that make Pleasanton an **OUTSTANDING** community. We are a city of about 80,000 residents, living within about 24 square miles, our city is almost 129 years old, and we are well known as an award-winning place to **LIVE, WORK and RAISE a FAMILY!**

This year let's start with an activity.... Please take out your cell phones and snap a photo of our event to post on Facebook or Instagram later. Your friends will ask you what you learned – and it will be my job to ensure you leave our event today with a few **KEY** facts about Pleasanton. Perfect – now let's all put our phones away, okay?

Please join me in expressing our appreciation to the Pleasanton Chamber of Commerce for hosting today's presentation, and for our own TV30 for doing the video recording so the entire community has an opportunity to learn about the initiatives and projects that are important to our city.

I am extremely proud to be Pleasanton's Mayor and work alongside some dedicated elected city leaders. Each of these council members bring a unique background and perspective to Pleasanton, and I am honored to work alongside **Vice Mayor Jack Balch** and **Councilmembers Valerie Arkin, Jeff Nibert, and Julie Testa**. Let's give them a well-deserved round of applause.

They say it is not WHAT you know, but also WHO you know. So let me introduce two very important leaders at the City – **City Manager Gerry Beaudin, and City Attorney Dan Sodergren**. Both gentlemen work hard to ensure our city operates efficiently and is well represented on legal matters. Thank you both for attending this event today. Here in Pleasanton, we welcomed 2023 with torrential rainfall, downed trees, occasional flooding, and road closures. This emergency demonstrated the dedication of our staff and virtually all departments were called to respond and worked

around the clock to keep us safe. Providing superior results is a hallmark of Pleasanton and this team reflects the best and brightest in public service. Thank you all for your commitment!

As I said last year, “we are in this together,” so let me take a moment to recognize the volunteers and non-profit organizations who, through their generous care for others and countless hours of service, have helped to make Pleasanton a compassionate and supportive community. I see representatives from Sunflower Hill, Open Heart Kitchen, Meals on Wheels and City Serve to name a few. Thank you for your service to those in need throughout the Tri-Valley. CLAP

Last year, we leaned-in to defining our new normal: we embraced positive changes like parklets and increased outdoor dining options around town; we continued to support businesses as they bounced back; and we got back to full programming of our community and recreation programs. From my viewpoint, we came back well-prepared for what’s ahead!

From neighborhood and community parks to abundant recreation areas; From major employers to small businesses that meet our everyday needs, and startups that are driven by entrepreneurship and innovation; And from our historic downtown with its boutique stores and internationally inspired restaurants, our city will capture the heart of all that visit here, just as it does for you and me.

Simply put, Pleasanton is an incredible place to live – we are one of the safest cities in the nation and we have nationally recognized schools led by Pleasanton Unified School District’s Superintendent, Board of Trustees, teachers, and students. We have a richness of City-sponsored programs, events, and activities and we join together to support and celebrate the diverse cultures of those who make Pleasanton home.

As you know, Pleasanton is great place to do business – we are the location of choice for Fortune 500 companies as well as homegrown unicorns, located in the award-winning Hacienda and other commercial centers. From a recent survey, more than 50 percent of the responding businesses have been here for 10 years or longer, and over 80 percent of our businesses say that they plan to be here long term. These statistics help to paint a picture of Pleasanton’s future economic stability.

Today I'm here to give you a snapshot of what makes this such a great place: Pleasanton is STRONG. Pleasanton is DYNAMIC. And, most importantly, Pleasanton is OURS.

The state of our city is strong. We are a vibrant city with big opportunities ahead.

Let's start by talking about the Johnson Drive Economic Development Zone –

Often called the "Costco" or JDEDZ project - where we are capitalizing on an opportunity to create a thriving new commercial corridor. The development on Johnson Drive will take advantage of its convenient location, create opportunities for new uses and services within the community, and generate new tax revenue to support City services and programs. As you can see when you drive by, the two hotels are under construction, and the roadway improvements have begun. While the rain and storms have delayed Costco's groundbreaking, the plan is for all the work to be done, and the hotels and Costco to open, in early 2024.

Now let's talk about transportation.

I, plus the other four Tri-Valley mayors, have been recently lobbying in Washington, DC and Sacramento for funding to complete the design and construction of Valley Link, a hydrogen fueled rail system with zero carbon emissions. Valley Link is estimated to remove 30,000 cars from the roads every day, and it will connect residents and businesses to opportunities throughout the region. And while this may be a long-term project, it will benefit the area for generations.

I sit on the Alameda County Transportation Commission board, and we are working to fund and build the missing link for the I-680 HOV lane from San Ramon to Sunol. Pleasanton proudly shares two BART stations with Dublin, which are important regional transportation options. Along with other local leaders, I am on the board of the Livermore Amador Valley Transit Authority (also called Wheels). Regionally, we are testing our small **driverless** buses called Shared Autonomous Vehicles or "SAV" which are state-of-the-art and 100% electric buses. The SAV aims to create an innovative way to improve the first and last mile connections to BART. By increasing the availability of convenient transportation, we are making Pleasanton a better place to live and work.

But we're here to talk about the strength of our local businesses, and how they make Pleasanton an important place to work

We have a diverse and robust economy that delivers the high-quality services that our community expects. We're incredibly fortunate to have companies that recognize the

value of investing within our city, bringing jobs and increased tax revenues. The recent expansion of Stanford Health Care–Tri-Valley, providing premier medical care, is just one example. Stanford Health Care had choices for its facility expansion, and they selected Pleasanton. I am very proud to say that Stanford purchased five-buildings in the Hacienda Lakes complex, in addition to its existing facilities. Clearly, the Stanford leadership values Pleasanton and considers us a key location and partner in its success. Our Tri-Valley residents in need of medical care, will benefit from access to superior services, right here in Pleasanton.

We continue to be a strong draw for businesses in technology, software, and the life sciences. One example is ProSomnus Sleep Technologies, the leading manufacturer of cutting-edge medical devices to treat sleep apnea, recently expanded its new global headquarters and manufacturing center in Pleasanton after getting its start here several years ago. Similarly, locally-grown Unchained Labs – makers of tools that help biologists and gene therapy researchers – expanded into its new home in the former Shaklee building. And Vagaro – the leading business management software for the beauty, wellness, and fitness industry – returned home to Pleasanton last year after its ongoing expansion and growth brought them to their new space in Rosewood Commons.

I am especially looking forward to cutting the ribbon at the NEW 10X Genomics campus in Pleasanton in a few months!

And finally, I do not want to miss the recent announcement that Kaiser Permanente plans to move 1,200 administrative employees to its Pleasanton site in Hacienda. Pleasanton is desirable and in demand, even in the toughest of markets – a true testament to the strength of our business community.

Public Safety is key to building a safe, strong, and successful community.

We have a lot to brag about on this topic. Our high safety rankings here in Pleasanton are a big part of what makes this city such a great place to live and work. In fact, in 2022 Pleasanton was ranked as the **11th safest city in California and the 50th safest city in the entire country!** And a recent survey conducted by the Police Department shows that **96 percent of our residents, businesses, and visitors feel safe in Pleasanton.** Over the past year, the City has continued to make public safety a priority. The City Council invested in our ability to respond to emergencies by building a new Fire Station 3 at West Las Positas Boulevard and Santa Rita Road. In addition, we developed a new approach for responding to mental health calls for service, and

implemented new technologies to increase our ability to respond even better during the NEXT emergency.

It is true, money does NOT grow on trees.

Maintaining fiscal stability has been a longstanding priority for Pleasanton, and because of that, I can confidently tell you that our city is financially strong. Our city's economy continues to be solid, as evidenced by our General Fund revenues which are driven by property taxes, sales taxes, and rebounding hotel taxes. Over the past year, property taxes generated more than \$80 million, which accounts for 57 percent of the City's revenues, while sales taxes were up to more than \$24 million, which makes up 17 percent of the city's revenues. We ended the fiscal year with a surplus of over \$5.7 million due to a combination of higher-than-expected revenues and reduced expenditures. These numbers are strong and illustrate that Pleasanton has a vibrant local economy.

We are a city that invests in public safety and economic development, and a city that is committed to maintaining sound and conservative financial investments, and that makes us **strong**.

Change can lead to growth, and we are a DYNAMIC and changing community.

Did you know that our population has increased by more than 15 percent since 2010? We are also growing culturally: the makeup of our community is becoming more diverse, and we are honoring and celebrating the differences in our backgrounds. That amount of growth and change requires a dynamic citywide strategy, plus programs and processes that will ensure a positive and sustainable future.

I am proud to be Mayor in a city that is defined by its character and its commitment to the members of our community. Irrespective of religion, or race, or country of origin, we want you to be a part of the team and work in harmony together for the greater good of our community.

Housing in Pleasanton is still in short supply.

Clearly, we are a desirable community, with a housing shortage, and we are committed to doing our share.

This past January, the City Council adopted the City's 2023-2031 6th Cycle Housing Element, by zoning and reconfirming viable locations for more than 6,000 new units. We ARE doing our part, and as proof Pleasanton's housing growth was in the top 20 percent of the region over the past 10 years!

The Council's approval of the Housing Element update identified 19 future potential housing sites throughout our city. As we adapt to changing housing needs and mandates, you can rest assured that we are doing our best to maintain the small-town charm and characteristics that define Pleasanton. We know our community is best served by a mix of different housing options to meet the needs of many residents across all demographic levels, with sites distributed throughout the city. It is a plan we can be proud of, and a plan we can continue to grow with.

And we can't talk about our Housing Element without discussing the new Stoneridge Mall Framework.

Over the past few years, we have all come to recognize that retail spaces are changing – and the Stoneridge Shopping Center is no exception. With a shift in how goods are purchased and delivered, a new vision is needed to ensure the mall remains a vibrant trademark of our community. With interest in redevelopment by property owners, changing market conditions, and a nearby BART station, plus the I-580/680 interchange, the Council supported the opportunity to allow for redevelopment of the Stoneridge Shopping Center. The foundation for this work is zoning land for between 900 to about 1,200 new housing units on the mall site, while more specific plan details for the revitalization of the mall are being developed.

And if you haven't heard, a 360-unit residential project was recently approved for the Simon Property Group. With the addition of housing at the mall, I want to be clear – the mall is not going away. The City and property owners will continue to engage our community in planning and placemaking for a mixed-use site where housing will supplement retail and enhance the area we all know and love.

There is a mental health crisis throughout California.

How we address those experiencing a mental health crisis is another example of how we MUST rise to meet a challenge that will define who we are as a community.

Over the past several years, it has become increasingly clear that a change in mental health response is a top priority throughout the country. In Pleasanton, we made this

priority a reality in 2022 when the Pleasanton Police Department's Alternative Response Unit was officially created. This program is intended to support members of our community by providing an alternative to a standard uniformed officer responses to 911 calls when someone is experiencing a mental health crisis. The Alternate Response Unit is a team within the police department, comprised of a supervisor, two plainclothes officers, and two licensed clinicians with specialized mental health training. The success has been tremendous. Since the unit was fully staffed, there has been a 50% drop in officer-initiated mental health calls overall, and a greater than 70% decline in mental health holds involving youth in Pleasanton. These are powerful results, and we are extremely pleased.

Now let's move to another matter of importance – Pleasanton's water supply and water conservation efforts.

Water conservation is nothing new for Californians, but with our most recent drought and the discovery of PFAS within our locally operated groundwater wells, Pleasanton's SAFE water supply has been a top priority. When PFAS contaminants were detected in our groundwater – even at “notification only” level – we immediately took the wells offline. This is our commitment to doing what is right for the health of our community. Over the past six months, with the support of the Zone 7 Water Agency, we have been researching solutions to our water supply shortfalls to help us identify the best way forward. We must create a safe and cost-effective solution for our residents and businesses, now and in the future.

In light of these water supply constraints, we are looking to our community to continue to meet the needed 15 percent conservation threshold. To do its part, the city has made changes in how we use water, and we have developed programs to help residents and businesses conserve. I'm proud to stand here today and say we've met that target every month since last May, which included some very hot summer months.

As I mentioned earlier, I recently went to Washington D.C. with the other Tri-Valley mayors for the annual U.S. Conference of Mayors. Every year, mayors throughout the country lobby for what's most important in their communities. On that trip, I engaged with federal representatives and agency staff, including from the EPA, to discuss how best to address PFAS. I am proud to let you know, the other Tri-Valley mayors supported Pleasanton in our goals to seek support and funding to remove PFAS from our drinking water, when the wells are returned to use.

With Pleasanton's city wells not in use at this time, water conservation measures at home and at work will be important while we work on treatment plus other water supply options.

While we're talking about environmentally significant topics, let's discuss the new waste sorting laws in California called SB1383.

While not the most glamorous topic, 2022 brought significant changes to the way residential and commercial users dispose of trash, as a new state law went into effect requiring that compostable materials be kept out of the landfill. When I say COMPOSTABLE, I am referring to your "green" waste container contents should include leaves and grass clippings, but also food scraps, soiled pizza boxes, used food wrappers and coffee grinds. Working together with Pleasanton Garbage Service, the City helped residents and businesses adjust to a new way to sort our waste. Together, our community is adapting to this change which will lower greenhouse gas emissions and make a positive impact on our environment.

This brings me to my favorite part – Pleasanton is OUR City AND we want to hear from you.

Crafting solutions to OUR challenges, keeping OUR community safe, and providing affordable housing for OUR residents, will require all of us to build the vision and to work harmoniously together.

And we're starting that work by developing a new 5-year Strategic Plan.

The City recently launched a new strategic planning process that will create a foundation and focus around our priority-setting process. The new plan will consider financial and staff resources, infrastructure maintenance, and project timelines to provide a continuous approach to planning that will help maintain momentum over time while addressing OUR top priorities.

With several opportunities in April and May to participate in engagement efforts, I hope each of you will take time to share your voice, perspective, and priorities with us.

But as we look ahead, let's spend a few minutes talking about some of the fun things we did last year.

Any pickleball players in the room? Raise your hand.

One of the fastest growing sports in the nation is Pickleball, which formally came to our city last year! After hearing from residents and pickleball enthusiasts calling for dedicated court space, the City officially resurfaced, then opened, 6 gorgeous new pickleball courts in Muirwood Community Park in late 2022. Try it, I did and it is fun!

Who has been to a Pleasanton Concerts in the Park or to a Weekends on Main?

Concerts in the Park have been bringing together OUR community for decades to listen to music, share good food, dance, and watch our kids play together.

During the pandemic, our city in conjunction with the Pleasanton Downtown Association, took the party outdoors during Weekends on Main. We voted to shut down Main Street, to encourage residents to safely walk and mingle together, visit new shops, and try new restaurants. Not only did this help to acquaint many of our new residents with our historic downtown, but it also reinvigorated our community's intention to support our local businesses, both downtown and across the city. I'm excited to say that Weekend on Main will be back again this year, for ONE weekend a month during the warm weather! I've shared before that the multiplier effect of a dollar spent at a local business creates an additional 53 cents in local business activity from employee spending to business-to-business purchasing. What a win for our businesses and for our community!

And we can't forget to talk about our parklets.

Another example of capitalizing on change is the City's new parklet program. While a necessity to help businesses survive during the pandemic, it was easy to see that both businesses and patrons welcomed the expansion of outdoor dining options around town. The City offers grants to help businesses with the cost of installation, and expedited permitting processes with pre-approved designs, and I'm glad to announce that the City Council extended that program through June 2024.

Is it time to meet a police officer?

Getting to know our City staff is a great opportunity to share our voices and perspectives and learn more about how local government works. This cannot be more true than with our public safety personnel. Last year, the Pleasanton Police Department hosted "Cone with a Cop" and "Coffee with a Cop" events. Young and old from our community came out to meet, talk with, and support our local law enforcement, bringing us closer together as we support our city.

As I wrap up, I want to point out our City's annual report at your seat. This report is a snapshot of the work of the City and what we've accomplished over the past year. This is more than a place where we live – although that's incredibly important – but also a community of people who care about creating opportunities so that each of our businesses and 80,000 residents have what they need to proudly call Pleasanton their home.

Our city is strong and dynamic, and most importantly, our city is OURS. We are glad to respond to what we hear from you, and we are proud to continue to make Pleasanton an even more *awesome* place to live, work, and play – all together.

I hope you will recall some of the key facts we talked about today regarding Pleasanton. This is OUR community, and it is my honor to serve as your Mayor. Let's give yourselves a BIG round of applause!

Thank you!
