



## 2017 State of the City: Think Globally, Act Locally

March 22, 2017

Good Morning! Thank you for joining us for the State of the City address. I want to take a moment to appreciate the Chamber for their partnership over the years to host this event. I'm very pleased to present my final address here in the heart of the City at the historic Lobero Theater, California's oldest continuously operating theater and one of our iconic cultural arts institutions. First, let me introduce my colleagues on the City Council: Mayor Pro Tem Jason Dominguez, Councilmember Bendy White, Councilmember Frank Hotchkiss, Councilmember Randy Rowse, Councilmember Cathy Murillo, and Councilmember Gregg Hart.

It's been an honor to lead our weekly Council meetings at City Hall with this group of highly dedicated public servants, all who share a passion for our community. I'm also joined by the City's impressive and talented executive management team. Please welcome: City Administrator Paul Casey, City Attorney Ariel Calonne, Assistant City Administrator Pam Antil, Fire Chief Pat McElroy, Finance Director Bob Samario, Waterfront Director Scott Riedman, Public Works Director Rebecca Bjork, Community Development Director George Buell, Airport Director Hazel Johns, Administrative Services Director Kristy Schmidt, Parks and Recreation Director Jill Zachary, Library Director Jessica Cadiente, and our newest department head: Police Chief Lori Luhn. Together, working with the many community leaders and partnerships I see in this room this morning, our City is vibrant, exciting and ready to take on the challenges that lie ahead. Over the last year, we've completed a number of really cool projects and are poised to complete many others.

In fact, everywhere we look throughout the City, we are generating new momentum by completing long-term projects and unveiling fresh new concepts. We also feel the outside pressure of **state takeaways of our local funding** and issues that are affecting cities throughout the country: Increasing Affordable Housing; Addressing Homelessness; Maintaining a Strong and Vibrant Downtown Core; Protecting our Environment; Providing Safe and Healthy Options for Kids and Families; and Investing in Our Vital Facilities and Crumbling Roadways. We're in this together and it is imperative that we leverage our skills and talents more than ever.

After only two short months, we've watched a new Presidential Administration sign executive orders and present a **federal budget proposal** that would dismantle programs that are critical in providing core services and funding for people in cities throughout the nation. I'm proud that as part of the U.S. Conference of Mayors, I had the opportunity earlier this month to join a bipartisan group of over 60 Mayors talking to leaders both on Capitol Hill and from the President's Administration on key issues. They included providing infrastructure funding for roads, bridges and water supply directly to cities; protecting tax-exempt municipal bonds to pay for capital projects; saving the Community Development Block Grant program that invests in economic development and basic shelter, housing and safety programs; relaying our collective concerns on providing public safety to all residents in the midst of uncertainty and fear; and protecting federal funding for our cultural economy, the arts and humanities.

No matter how you voted or whether you support recent actions at the federal level, I think everyone can agree we are in a new era and these are **uncertain times for local governments**. We cannot rely on the state and federal funding or support we've received in the past. We must become more self-reliant and resilient. In fact, the old adage, "Think Globally, Act Locally" is perhaps more true today than ever.

Over the past five years, the state has taken away over \$100 million dollars in local City funding through the elimination of redevelopment agencies. The City has slowly adjusted to the loss of \$20 million a year for downtown revitalization, community facilities, and affordable housing. In Sacramento, state legislation is aiming to increase affordable housing via new mandates, but the bottom line is that cities need to be creative in finding these solutions without depending on new housing funds. Our gas tax revenue - which is literally pennies on the gallon - remains unchanged, buying us less and less each year for street repair as the cost of asphalt continues to rise, and more efficient cars and electric vehicles reduce the number of gallons purchased.

On the federal level, last year, the City received \$22 million from a multitude of agencies for needed improvements and services such as traffic safety, airport improvements, firefighting equipment, library programs and housing assistance. The President has just released a new budget proposal, and it is clear that we can no longer rely on receiving these types of funds. Now we must depend on one another here at home to make our community a priority and protect what's important to us. Now is the time to make local decisions and investments that benefit current residents and future generations for years to come. Fortunately, we've been laying the groundwork to take care of our own needs.

Let's start with a very basic local need: clean water. Thirty years ago, we had the vision to build a desalination plant to help our community withstand a then historic **drought**. While desalinated water is expensive, I've often said that no water is far worse. Even with recent reports of increased costs, reactivating the original desalination facility is saving the City over \$30 million, compared to building a brand new desal plant. We are now testing the treatment of ocean water at the plant and desalinated water will very soon be part of the community's regular water supply. And yes, we are thrilled with the amount of rain our area has received so far this winter - Lake Cachuma rose by 50 feet in one month! Yet we must also remember that our area is a desert and still in a drought and we must continue to conserve water. Lake Cachuma may be about ½ full but the water doesn't all belong to the City of Santa Barbara. This is no simple task with complex water infrastructure valued at \$500 million and a complicated system of water rights and allocation. Our Groundwater basins are now almost depleted and will take several years to recover so we need to rely on a variety of other water sources as we recover from the drought. That includes desalinated water.

Over the last six years, this crisis has transformed our **water supply sources** and planning. We are now better prepared for the next drought – not if, but when it comes again. I want to thank the community for adjusting your water use and installing waterwise fixtures and landscaping. Our water savings has far exceeded the state average. By embracing water conservation, we grow more resilient to ensure our community doesn't slip back into an emergency mode. The Council continues to discuss the desalination plant and water supply strategies on a monthly and often weekly basis to stay engaged at every step.

On a much more positive note, with the recent rains flowing through Mission Tunnel, the City's previously idle **hydroelectric plant** is now creating electricity! When fully engaged, the plant can produce enough clean, renewable energy to power 300 homes, helping us become less dependent on fossil fuels. Overall, City facilities currently run on 37% **renewable electricity** as a result of a solar panel array at our LEED Platinum offices at 630 Garden Street, biogas conversion at the energy-intensive wastewater treatment plant, and more energy efficient building systems. In partnership with the County, we're conducting a feasibility study on **Community Choice Energy** expected to be completed this summer. In this model, Southern California Edison would continue to be responsible for the electrical transmission and infrastructure and government agencies would take on the responsibility of purchasing electricity, all with the goal of increasing our portfolio of renewable energy.

We're also on the cutting edge of promoting and using **alternative fuels**. Santa Barbara opened its first hydrogen fueling station between LA and San Francisco last year, providing a critical fueling stop for hydrogen vehicles. Once considered cars of the future, hydrogen powered vehicles are now entering the market. The City is also expanding the number of **electric vehicle charging stations** at the Granada Garage and adding new stations at the Cota Commuter Lot near the freeway. This plan builds on stations already available at the Library Garage, Helena Lot, and Harbor Lot. The City of Santa Barbara was recently recognized by Senator Barbara Boxer as she officially placed in the Congressional Record her gratitude to us for being a pioneer in sustainability and environmental preservation. Thanks to the many local businesses for their above and beyond leadership in sustainability.

Arrangements are also underway to begin a **carsharing** program this summer where cars would be parked on the street in strategic locations and available for public use for a rental fee. Carsharing would help a growing number of residents who seldom use a vehicle or households who are on the tipping point of needing a second car. Santa Barbara was recently ranked in the top 10 overall for green transportation and 2<sup>nd</sup> for biking in large U.S. cities with 6% of our residents using a bike as their primary transportation. With a comprehensive **Bicycle Master Plan** now in place, we're taking steps to provide safer infrastructure for cyclists as well, by creating additional green lanes and bike boulevards. We were recently awarded one-time funding of \$7 million from the state to build strong bike and pedestrian connections between the Eastside and Westside neighborhoods into Downtown. To help educate cyclists, pedestrians, and drivers alike, the Police Department conducted special bicycle safety enforcement operations. They are also working with the Bicycle Coalition to provide bicycle lights to cyclists caught riding in the dark to support safe cycling.

Improving local **air service** continues to be a top priority. Passenger numbers overall have increased by 5% over last year. Last summer, we started a new non-stop service to Dallas/Fort Worth and it has been booked ever since. And today, I'm pleased to share with you that American is expanding service to Dallas and United Airlines will double the number of seats on flights to San Francisco and Denver by bringing larger aircraft to SBA starting the first week of April. Our airport is affected by many changes in the airline industry and our first video will show how Santa Barbara Airport has made progress with air carriers to better meet our community's needs.

**\* VIDEO: AIR SERVICE UPDATES \***

Throughout the City, we've implemented many projects to improve neighborhood safety and cleanliness. To enhance **pedestrian safety**, we enhanced crosswalks at four intersections, installed new signalized lights at 41 intersections, and upgraded eight intersections with access ramps to help people of all abilities and parents with strollers to cross the street. The Hidden Valley neighborhood has new energy-efficient LED streetlights, Old Coast Highway has new sidewalks and this summer, construction will begin on new sidewalks in the Lower Milpas area below the freeway, providing a firmer connection between the Milpas corridor and the waterfront.

Residents who live on Cliff Drive or all of us who visit the Mesa and Hendry's Beach can now enjoy the new **roundabout** at the intersection of Las Positas Road and Cliff Drive. The project includes new streetlights, sidewalks, landscaping, and a new bus stop, reducing gridlock traffic during busy commute hours and weekends.

In addition to enhancing our built environment, last year the City also expanded its **open spaces**, dedicating two new large parcels along the Arroyo Burro watershed: The 15-acre Arroyo Burro Open Space, in the area formerly known as Veronica Meadows, and the Barger Canyon creek restoration project. In fact, in the last five years alone, the City has acquired over 30 undeveloped acres to restore creek areas and protect green open spaces. If you're a hiker or love to visit the ocean, we recently published a **coastal walking** tour map and podcasts to encourage exploration of our coastline. The map guides you to walks and points of interest, while a video and podcasts provide stories of coastal culture, ecology and history. Make sure to pick up a map as you leave today.

Citywide, the Council has been very active to improve **neighborhood safety**. One of the largest actions was adopting a new ordinance limiting the size of vehicles that park on City streets to reduce the negative safety impacts these vehicles have on visibility and traffic flow on our narrow, historic streets. Signs are being posted prohibiting **oversized vehicles** from parking on any street within the City. In tandem, we're also exploring new locations for safe parking of these vehicles.

In addressing a variety of nuisance behaviors, Council is discussing updates to its **alcohol and smoking** enforcement laws. Easy access to large containers of alcohol can lead to an increase in public intoxication and inappropriate behavior on our public streets so we are reviewing how we can further regulate stores that sell alcohol for off premises use beyond what is currently under State law. We're updating our smoking laws to expand smoke-free, outdoor public areas to limit exposure to secondhand smoke and reduce cigarette butt litter and the Council will soon be considering whether to ban smoking at beaches, parks, Stearns Wharf, the Harbor, public parking lots, and perhaps even some public sidewalks. Finally, we are working with Marborg Industries to expand the **pickup service** for furniture, mattresses, tires, and other bulky items in order to reduce illegal dumping that create neighborhood eyesores.

Also, to help residents safely dispose of unused or expired drugs, the Police Department introduced a new **drug disposal** box in the Police Building lobby. This addresses a vital public safety and health issue so you can safely and anonymously dispose of prescription drugs and over the counter medications.

Under our new Police Chief Lori Luhnnow, the Police Department is focused on several public safety priorities. The Chief is creating an advisory board of community leaders to improve community relations and help implement new **public safety policies**. And there are many unknown variables affecting public safety and enforcement. In November, Prop. 64 passed legalizing the use of **non-medical cannabis** and the City Council enacted a temporary moratorium against new non-medical cannabis retail dispensaries to monitor the State licensing process, any possible federal enforcement and engagement activities, and to give the Council the needed time to conduct a full public process on updating its ordinances. So, one could say on this issue, Council is proceeding cautiously before we get too far into the weeds.

Of course, any City's basic charge is to ensure the **public safety of all residents**. Success in doing so requires a strong and positive relationship between its police department and the people who live and visit here. That relationship is based on trust, constant positive communication efforts, maintaining neighborhood police patrols, and quick responses when trouble arises. Our Police Department is committed to protecting everyone's rights, regardless of immigration status, and they do not act as agents for the Immigration and Customs Enforcement Department. Police officers will continue to seek and arrest those who commit crimes; however their immigration status is not a matter for local police action.

Looking at the City overall, we have invested in youth programs and a greater emphasis on community policing has paid off: the rate of **violent and property crimes** remains very low. We must maintain these vital programs. Continual focus and vigilance on preventing violent crime and providing safer opportunities for our community is imperative. March 14, 2017 marks 10 years since the tragic fatal stabbing of 15-year old Luis Angel Linares, which sparked a region-wide dialogue and action in reducing **youth gang activity** and increasing youth safety and opportunities. I'm especially proud of all the hard work of the South Coast Task Force on Youth Safety. The combination of law enforcement and our youth outreach programs in cooperation with school and probation officials have provided healthy and safe alternatives to gang activity and has contributed greatly to reducing youth gang violence. The number of gang-related crimes has declined by 59% since 2009 and I want to applaud the efforts of the many agencies that work so closely on this issue.

We are also continuing our collaborative work to address **homelessness** in our community, working closely with social service providers to move people off the streets and into supportive programs. Altogether, the City spends over \$3 million a year on various methods to reduce homelessness, ranging from enforcement, cleaning up encampments, outreach, and grants to social service agencies for mental health programs, housing, detox, and other supportive services. This year, the City participated in the countywide Point-In-Time count, and saw a 12% reduction of the number of homeless individuals from 2015, and a 24% reduction since 2011. While that is good news, we still have work to do. There are nearly 800 homeless individuals living on the streets in Santa Barbara on any given night, including veterans and families. This is a complex issue and we continue to look for ways to become more effective with these programs. Our next video will highlight some of the more innovative approaches we've implemented in collaboration with community partners.

**\* VIDEO: INNOVATIVE APPROACHES TO HOMELESSNESS \***

This video gave us a glimpse into the smart and caring minds working behind the scenes to get people off the streets. The **restorative policing** program has been a shining success. In the last 5 years, the Restorative Policing team assisted 630 clients who were responsible for thousands of calls to the Police Department. Incredibly powerful work here, and yet it is the type of activity this team does each and every day.

Closely related is preventing homelessness in the first place. The City's longstanding **rental housing mediation** program helps landlords and tenants resolve disputes, and assisted 1,400 individuals in receiving information, consultation services, or mediation last year alone. Living in safe housing is also imperative, and through our building and safety department and City Attorney's office, we have taken significant **actions to protect tenants** who are living in substandard conditions. The City is prosecuting landlord Dario Pini for neglectfully operating apartment units after a review of 13 properties found over 3,000 code violations. We are hopeful that these properties will be brought up to health and safety standards very soon. And just last night, the City Council had a hearing to discuss implementing additional tools to protect tenants from high rents and unjust evictions, and increase the range of housing options that meet the needs of a diverse community.

The City and the Housing Authority have spent decades creating and preserving subsidized **affordable housing** and, through these efforts, 14% of the City's total housing stock is affordable. But we also recognize that workforce housing opportunities are sorely lacking. Council is keeping a close eye on one of the latest policy efforts, the **Average Unit Density** program. This program was designed to encourage smaller, more affordable housing units in new development projects, and promote new rental housing options. The theory is that developing smaller units at higher densities with fewer required parking spaces and will meet the needs of modern professionals in our community, while also preserving neighborhood compatibility and our small town feel. As we measure its progress with new developments becoming occupied, we acknowledge that some tweaks to the ordinance are necessary. To that end, the Council appointed a special housing task force to evaluate the program effectiveness.

In another effort, we're amending the antiquated 1950 **Zoning Ordinance** to restructure, simplify, and modernize our land development requirements, with the goal to improve flexibility, streamline the process in making minor changes and be more responsive to our residents.

At this point, I'd like to bring City Administrator Paul Casey to the stage to discuss the City's financial condition.

**\* CITY'S FINANCIAL CONDITION (PAUL CASEY) \***

Thanks Paul. I want to take a moment to acknowledge our emergency responders and volunteers who helped the community during a very **significant rain storm** that resulted in trees down, flooding, mudslides, boats washed ashore, building evacuations, and even an airport runway closure. The Waterfront just finished dredging out the accumulated sediment that the strong tides brought in with the storm and, after closing for weeks, the Harbor is now navigable for boats.

A large success worth mentioning is our efforts spent **widening the creek** channel in conjunction with replacing 100-year old bridges over the past decade. The completion of these projects, especially the Mason Street Bridge finished a month before the rain, significantly contributed to reduced flooding in the Lower State Street area. During the 1995 and 1998 floods, this flood-prone area experienced far more substantial flooding and expensive damages to businesses and homes. Our bridge replacement work continues up Mission Creek with the De La Guerra and Gutierrez Bridges now under design.

While the damage was less severe on buildings, the recent rainstorm took a heavy toll on our roads. It's important to note, though that these **road conditions** didn't happen overnight. Even before the rain, independent pavement engineers rated nearly half the City's roads as "poor, at risk, or failed." Council has been engaged on basic infrastructure needs and is deeply concerned about how little our gas tax dollars can buy in repair work. We know that if we don't take local action soon and move beyond quick fixes, the price tag for the **road and bridge repair** work will increase significantly the longer we wait. Our engineers have estimated how much could be completed if we secure additional funding for street and bridge repairs. This map shows us how many roads we're able to keep up with our current \$2 million budget over a 20-year cycle. If we get to \$7 million, we're able to cover collector streets that reach neighborhoods. When we reach an annual street budget of \$12 million, we can actually start fixing roadways in a meaningful way and repave virtually every street in the City over a 20-year period.

The other major capital project in great need is our **Police Headquarters**. This critical facility is also currently receiving only short-term fixes. The aging police station is not accessible for disabled residents, is not compliant with building and fire code requirements, needs lead and asbestos removal and does not meet seismic safety standards, and while we don't expect a full building collapse in an earthquake it would not be functional when we need it most.

Fire stations are also core public safety facilities and we're committed to keeping **neighborhood fire stations** open. We well know that our community is prone to wildfires and other emergencies in the front country area. Working with the U.S. Forest Service, we've started design work on a joint fire station to combine the operations of **Fire Station #7** on Mountain Drive with the Forest Service that is currently working in a trailer at that site. One of our highest priorities is to maintain police, fire, paramedics and 9-1-1 emergency response.

The City Council has been looking at a variety of ways to increase the funding for roads and other **vital infrastructure and programs**. As I mentioned earlier, the loss of state funds has caused us to tighten our belts and look for local funding sources that cannot be taken away. So it is up to us.

Over a hundred cities throughout California have passed **new local revenue** sources towards that purpose, and it's time for us to do the same. Our State Constitution ensures that local funds stay local, as they cannot be raided by the state or federal government. This chart can give you a quick look at the sales tax rates in other comparable, visitor-serving cities and you'll notice that Santa Barbara is on the lower side of sales tax rates. We often hear suggestions to replicate various programs and facilities from these other communities but we need to acknowledge that it's simply not possible without the revenue to make it happen. In the next few months, Council will decide whether to put a sales tax increase on the November ballot for a vote.

A **strong business and retail climate** is a critical component towards keeping our community's resiliency, funding projects and services that benefit us, not to mention maintaining our luster and appeal to tourists from all over the world. Last year, we organized 31 **cruise ship visits** during mid-week and off-peak months. According to Visit Santa Barbara, each party spends an average of \$109 in Santa Barbara on meals, entertainment, and tours. We've recently estimated that 40% of our City's total sales stem from the purchase power of tourists and visitors from surrounding areas, so keeping the community safe, clean, and attractive is critical. Buying local is one of the largest steps we can take to protect our unique shops and directly increase local revenue for municipal services. The city is working to help retain and attract local businesses.

The world of retail is changing dramatically on a global level, and we are seeing those impacts here at home. Dramatic increases in online sales from food to clothing to equipment directly impacts brick and mortar shops. Younger generations tend to spend more of their discretionary income on experiences rather than products. We're starting to see the effects of this **changing retail behavior** in our own downtown corridor, most dramatically with the Macy's on Ortega and State Street being one of the 100 stores closing nationwide, and with a recent uptick in vacant storefronts. While the City does not have jurisdiction to determine who will take over this location, we are communicating frequently and strongly encouraging Macy's to shift their remaining lease years to a high quality retail tenant. Noting these vacancies, Downtown Santa Barbara has initiated a retail study to carefully evaluate the mix of businesses and develop a retail strategy for the area.

**Buying at local shops** and supporting local entrepreneurs and businesses is a win-win for all of us. This is where the community's choices can have a huge positive impact. Through leadership and creative problem solving, Santa Barbara has steadily built a strong cultural economy with growing civic engagement and community arts participation. Over \$8 million in City funding has been invested to renovate performing arts centers alone. In our last video, we'll see how these investments are paying off.

#### \* VIDEO: DYNAMIC DOWNTOWN \*

If we take a step back, we're in the midst of a **healthy renewal** of the entire downtown and waterfront area. While it's hard to see a well-loved business close after many years, we're also seeing a new door open for another entrepreneur to start the next venture. In the business world, we often hear "Innovate or Die" and the same holds true to invigorate the downtown area. Our downtown core cannot remain static and some level of change is needed to breathe fresh life into older, well-worn areas and stay on the pulse of the community.

Large-scale investments are all around us! Right across from the new MOXi, the construction of the **Hotel Californian** project is drawing to a close. Paul and I visited recently and I can tell you that it will be amazing. After almost two years of construction, the **Cabrillo Bridge** was replaced with wider sidewalks and the busy intersection at Cabrillo and State will soon reopen. Thanks in major part to the collaborative efforts of many of you here along with this City, Southern California Edison has begun its multi-million dollar **electrical reliability** improvements a few weeks ago.

The **Museum of Art** is undertaking a privately funded \$50 million renovation that will address seismic retrofitting, enhance gallery space, and add a roof terrace garden. The **Museum of Natural History** celebrates its centennial anniversary with major improvements underway that include an enhanced arrival plaza, renovated mammal and bird habitat halls, and a new permanent butterfly garden exhibit space. Up APS, we're very excited to see SBIFF's renovation of The Riviera Theatre, which will become a new home for film events year-round. A few blocks from Downtown, you'll soon notice new elaborate gates to the **Community Arts Workshop**, now home to Summer Solstice and various collaborations with arts organizations for events, performance space, and art production. Similar to MOXi, the City leased the property to the Arts Collaborative for \$1/year to get this project started and they're currently raising funds to complete their project.

This is an exciting time for public and private partnerships. Santa Barbara is 167 years old so there are many older and underutilized city facilities that are simply not living up to their true potential. Wouldn't it be nice to leave a day of beach volleyball or finish a triathlon with a clean place to take a shower to wash off the sand? Or hop into the **Cabrillo Bathhouse** and change clothes in a modern locker room? We have world-class recreation options without the facilities to match. The beloved 90-year old Cabrillo Arts Pavilion and Bathhouse is poised for a huge update, and while we have secured over \$10 million towards its reconstruction, another \$4 million is still needed. Thanks to leadership from the PARC Foundation and a variety of community leaders, we are poised to begin a public capital funding campaign to bridge this gap.

Thanks to a very successful public/private partnership, our **Central Library** is experiencing new vitality and activity. We're celebrating its 100<sup>th</sup> anniversary this summer with public tours, history lectures, and family events. There are many opportunities for this historic building that began with a grant from the Carnegie Family to be a valuable resource to the community. Housing more than just books, the library hosts homework help, computer classes, makerspace workshops, and countless meetings and events for the community. With just a little more investment, we will be able to restore the Library Plaza, add an elevator, and transform the roof making it safe as a public terrace for library and community events.

We're thrilled that the community recently voted to invest in the School District including funding to acquire the underutilized **Armory Building** on Canon Perdido Street between Santa Barbara Junior High and Senior High Schools. We also hope to finally coordinate with the Army to redevelop the **Army Reserve Center** at Las Positas, adjacent to MacKenzie Park for youth and families recreational programs.

There are also new **private development** projects in design or under construction that are poised to enhance downtown vibrancy. New mixed-use buildings are being developed at the Craviotto property at the corner of Ortega and Anacapa, at the former Greyhound station on Carrillo and Chapala, and the Arlington Plaza area on Chapala. Newly opened **Impact HUB** on State Street that provides office space and amenities for entrepreneurs will soon open a second location on Mason Street in the Funk Zone.

With the various projects on Lower State Street moving towards completion, we're taking steps to improve the **interconnectivity between Downtown and the Waterfront**. Encouraging people to park once, MTD will debut new **electric shuttles** that accommodate more passengers between

Sola Street and Stearns Wharf. New **wayfinding** signage will be installed this summer helping us find our way to parking lots and points of interest in and around town. And we're also exploring public art concepts for the 101 under-pass to spruce up the walkways and strengthen that vital connective pathway. I have very much appreciated our continual discussions with downtown merchants, business leaders, property owners and community partners exploring ideas and ways we can continue to keep downtown a special place where businesses can flourish.

I'm very proud of our continued work on improving the **connection between City Hall and local businesses**. Over the past few years, we've created instructional videos and resources to help entrepreneurs start and grow their business. We've listened to frequently asked questions and areas of concern and organized business regulations and services on our website so you can more easily navigate the City to meet your business needs. We welcome your input on how we can continue to enhance our local business environment.

## **CONCLUSION**

I mentioned at the beginning of this speech that this is my last State of the City address. And while I still have several months left in my term, I do reflect on these past eight years, which have been filled with exciting challenges and opportunities.

During this time, our City experienced a significant financial drought with the recession, and then an actual extraordinary drought with our water supply. We've pulled through both and became more efficient on the other end: in our workforce, our finances and our environmental sustainability. While we still have work to do, we've seen great success providing healthy and safe opportunities for our youth, and experienced significant reductions in both gang violence and homelessness. Our cultural economy is thriving, through new facilities, its many festivals and events and strong collaborations with local artists. Local entrepreneurs of all generations are creating and re-creating innovative ideas that result in profitable ventures, and we have strengthened the ties and communication links between City Hall and business groups like the Chamber, Downtown Santa Barbara and Hospitality Santa Barbara.

Santa Barbarans are very engaged in municipal affairs, on just about any topic one can think of on any given Tuesday at Council meetings. And we are a better place because of this. We passed a General Plan Update, balanced every budget and fully restored our reserve funds. City government has changed dramatically these last eight years, moving back to district elections, after fifty years of councilmembers being elected at-large, and the City Council made two very significant hiring decisions with a new City Administrator and City Attorney almost three years ago.

And I gotta say, while being Mayor of Santa Barbara is a lot of work, it's also a lot of fun. Where else can you dress up in wacky colorful outfits and march up State Street with hundreds of Solstice-attired locals for tens of thousands of people? Where else can you watch the New York Philharmonic overlooking the ocean, currently being planned by the Music Academy of the West at SBCC in July? Where else can you greet thousands of residents and visitors to a week-long summer festival at the historic Mission or in a horse-drawn carriage? Or walk a red carpet? Or become overwhelmed by a bunch of zombies dancing to Michael Jackson's Thriller? Or officially represent the City to a future King of Spain, or The Dude?

The City of Santa Barbara is a very special place – not only because of where we reside on this planet, but because of the people who live and work in it. It has been my primary goal to be a Mayor to all, and focus my efforts and decisions on what I believe to be in the best interests of this City, even at times when those decisions may not be in my own personal or political best interests. Practicing civility in this elected office is paramount, especially when there are disagreements. Dialogue and debate can result in improved outcomes, but only if done with integrity and respect, and I have been very fortunate to have worked with a total of 10 Councilmembers over eight years who shared those values at every public hearing.

And so, I say thank you for being a vital part of this great place we are fortunate enough to call home. The state of the City is environmentally resilient, culturally vibrant and community rich. It is truly an honor to serve this incredible and engaged Santa Barbara community as your Mayor. Thank you!