



Mayor Rusty Bailey
State of the City Address

Riverside, California
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State of the City 2016 – Opportunity Into Action

Thank you for your kind introduction, Cindy Roth, and for the Chamber's partnership in the State of the City Address for more than 30 years. And thanks to the Riverside Convention Center, a Press-Enterprise Top Workplace, and especially the center's great hospitality staff for such a warm welcome.

Three years ago, I stood before you as a new Mayor of a city recovering from the Great Recession.

Today I stand in front of you, a little older and a little grayer, but confident in the solid economic and cultural state of our city.

Riversiders have never been more proud to live here.

Riversiders believe their city is attractive, active and healthy.

Riversiders believe that this is the right place to own a business and raise their family.

And perhaps most importantly, we believe Riverside is a place where we can achieve our goals.

There has never been a better time to be in Riverside.

I believe that Riverside is going from good to great! People from all over Southern California now come to Riverside for education, for conventions, for entertainment, for sporting events, for housing, indeed, for a better life!

Riverside has turned opportunity into action in 2015; and we will continue that momentum in the year to come.

Now let me give you the bottom line up front: we have created an incredible set of circumstances in Riverside -- a solid foundation of success from which to launch new initiatives, toward increases in job creation, educational attainment, infrastructure investment, public safety and business expansion.

One example of this is the completion of construction on the 91 in Riverside. You have heard us say that it will be sweet, when it's complete! So thank you CalTrans for the transportation investment of a quarter billion dollars that is moving 250,000 cars a day through our city. Traffic

is flowing beautifully through Streeter and Riverside Avenues now that construction has ended. Grade separations have made life safer, better and quieter across our city.

Thank you to the Riverside County Transportation Commission and state legislators, past and present, who advocated on the City's behalf to bring home much of the \$210 million used to construct six grade separations over six years. Investment in railroad quiet zones is ongoing, improving the quality of life for those living along, or in earshot of, the tracks.

In all, RCTC has invested more than \$1 billion dollars, in 48 Riverside projects, over the last 15 years, and the results speak for themselves. Those are long-term actions we should celebrate.

It's hard to believe that another year has gone by, and I'm delivering my fourth state of the city address. A lot has happened in the life of the city this year, but nothing more important than the unanimous hiring by the City Council of new charter officers -- City Manager John Russo and City Attorney Gary Geuss -- both great additions to the leadership team. Those of you who have had the pleasure to meet John or Gary know they are highly qualified professionals committed to Riverside's long-term future.

The Sunshine Ordinance and the Performance Audit Program will bring a greater emphasis to accountability and government efficiency, and are great examples of what these new leaders can accomplish. Management's focus on long-term budgeting and financial responsibility bodes well for our organization and our city. These will be important leadership discussions, much like the dialogue this year about the Main Library.

Welcome to the City Council, John Burnard, and thank you for bringing a small business perspective to the table. Your love for the west side, and your convictions toward maintaining and improving the La Sierra Hills, continues the momentum in representing our city.

I believe that everything rises and falls on leadership, and that our city is rising because of the leadership team this council has hired. Their commitment to working with the council on the Riverside Strategic Plan proves that this city is moving forward, and not looking back.

ECONOMIC OPPORTUNITY

The heart of our strategic plan focuses on customer service, making Riverside a location of choice for business and developers – important job creators for our city. A focused effort will streamline our practices and decrease the time it takes to achieve approvals. In March, we will receive a series of recommendations to establish a one-stop shop for planning and development, as well as a consolidated development review committee. New technology will improve communication and tracking between the public and private sectors.

These circumstances inspire us to take further action toward economic opportunity this year.

More than 100 new small businesses open each month in our city, creating jobs for our residents and graduates. The Small Business Administration supported these efforts with a grant to assist startups in cutting the red tape, opening the doors wider for our local entrepreneurs. Thank you to Adalberto Quijada, our local SBA Director, for seeing the benefit of bringing more SBA resources to this growing region.

Another marker of successful economic development is the investment of capital to improve and expand business operations and maintenance, including existing buildings and housing stock. More than \$17 million a month in private investment moves through our development counter on the 3rd floor of City Hall. We are in continual improvement mode, especially in terms of customer service, but we also must recognize the hard work of the planning and building divisions for their extra efforts with minimal staffing since the Great Recession.

This is an example of how Riverside is turning opportunity into action.

We have geared up to handle this workload through the hiring of a new Community and Economic Development Director, a new City Planner, a new Building Official and six additional planners to facilitate this wave of development in our city that begins with 80 million dollars of private investment. Breaking ground in the coming year are the Imperial Hardware Lofts and Stalder Plaza. These innovative housing developments continue the momentum of the Renaissance, helping to build the critical mass that is necessary to generate greater private investment in Riverside.

Research tells us that the expectations of empty nesters and millennials are creating new opportunities in the housing arena. They seek four characteristics of cities when choosing where to live: number one is a multi-faceted transit network; number two is multiple housing options; number three is a walkable community; and number four is a stimulating urban environment. Our long-term planning efforts must focus on meeting the needs of the next generation and those looking to downsize and connect. There are plenty of opportunities here in Riverside to do just that.

Beyond housing, we must focus on careers more than jobs and skills as much as education.

We are not without challenges in Riverside. Now here's a circumstance that troubles me: one in four children in our city lives in poverty. And yet research tells us that the best way out of poverty is through economic opportunity – or plainly spoken, a quality job. So we must invest in the right priorities, like workforce development and career pathways; investing in transportation choices and mobility; and helping businesses create jobs closer to home. Investing in education enables our students to achieve their highest potential as productive citizens and career-oriented professionals.

The talent coming out of our schools and colleges presents great opportunities. Encouraged by our best practices trip to Arizona last year, our City, led by the Office of Economic Development, is working with our institutions of higher learning by supporting local internships and developing master plans for their future growth.

By the year 2020, there will be at least 1 million unfilled information technology jobs, and more than 1 million unfilled health care positions in California. If we don't adjust our educational systems to meet this demand, we are failing ourselves. That's why I convened a group this year to collaborate on a major grant from the Department of Labor focused on creating a Tech Hire Initiative.

The skills and education needed today and in the future are different than in the past. With the Riverside Community College District, the County Workforce Investment Board, our school districts and private sector partners, we will take the necessary steps to meet the demands of this next generational wave of careers. I believe it's time for a jobs renaissance in Riverside, so our kids and grandkids will have an opportunity to earn a quality job and continue your legacy of service right here in this very city. We must take action now to start a jobs Renaissance today.

The good news is that we have already turned opportunity into action, in this regard, by starting an entrepreneurial ecosystem right next door to City Hall. A co-working space of entrepreneurs called RIVERSIDE I/O is inhabited by 28 software developers and high tech providers who make their living coding and collaborating. I look forward to seeing economic development spin off, and out of this space, into incubators and vacant properties all around our city.

Economic development must go hand in hand with workforce development, so we can provide skilled labor and appropriate levels of professional support for existing businesses. We cannot expect manufacturing jobs, or any job, to stay in our region if we do not create workforce training opportunities. We cannot expect our existing businesses to grow if we are not providing well-suited employees.

That's why we have partnered with Gene Sherman at Vocademy and joined the Makers Space movement – a laboratory environment where practical skills meet innovation and creativity. We will host a Makers-Space-type fair, with our community partners, in October. Our Main Library will open a makers-space and teen center this spring, providing an area for skill development, innovation and collaboration -- all in a public place.

These circumstances provide us the opportunity to take the next steps, the next actions necessary for all Riversiders to find a position that will lead to their dream job -- and who knows, maybe a job in the field of sustainability, where we continue to shine brightly.

SUSTAINABILITY OPPORTUNITY

In that regard, it was an historic year for Riverside Public Utilities. Governor Brown called for previously unheard of water conservation goals, and our utility, and its customers, stepped up to the plate. RPU's stewardship and fiscal responsibility – demonstrated by its triple A bond rating in water, and double A bond rating in electric -- means that we have an opportunity during an historic drought for long-term infrastructure improvements.

Last year, we requested that public utilities be granted a special exemption from CEQA to expedite infrastructure investments during the drought, improving our reliability and long-term water resources. I'm proud to say that, because of that request, construction on our first recycled water project in 10 years, will start shortly. This \$27 million action by the utility contributes to the city's long established commitment to sustainability and will provide local construction and engineering jobs.

Our City Council and Public Utility Board also passed Utility 2.0, a comprehensive plan to provide reliable and cost-effective services to our customers for years to come. This billion

dollar investment, over the next 10 years, proves that we have turned opportunity into action, with the help of our publicly-owned utility, and its ratepayers.

Riverside is a green community – this has been validated time and time again by external experts. We are on the leading edge for our green fleet, solar power rebates and the reuse of our landfill. Our Sustainability Coalition holds us accountable for following our Green Action Plan, and this year we earned national recognition by becoming a 3-STAR Community. This is a sought-after designation given by a nationwide rating agency, lending all the more to our green credibility.

And just this month, the City Council approved the Restorative Growth Print, a plan that will help our city meet the state's emissions goals for 2035, while tying together sustainability and economic prosperity.

So why is any of this important for Riverside?

Well, being green makes great economic sense.

American investment in sustainability reached \$6.5 trillion in 2014. Yes, that is trillion with a T. So what does this tell us? It tells us that being green isn't some passing fad -- it's now a critical part of doing business. It's part of our economy.

Being green makes great social sense.

Greener living means more local parkland for running, walking, biking, and playing outside. It means better access to healthy food. It means five local farmers' markets, and a Mobile Fresh bus that takes organic food directly into our neighborhoods. It means taking the intellectual lead in our region with events like the annual Grow Riverside conference and our Green Leadership Summit.

And finally, being green makes great environmental sense.

Riverside's commitment to sustainability has made our air cleaner with the recent and ongoing grade separations; it has reduced the amount of waste we send to the landfill; and it's what has allowed us to achieve nearly 30 megawatts of local solar with the addition of the Tequesquite solar farm near the base of Mt. Rubidoux. This exceeds our solar goal five years ahead of projections.

Our city is clearly a leader in sustainability, and we will continue to push forward, taking additional action to become an even greater, greener Riverside. That is our responsibility as a community. But we have other responsibilities, too.

CIVIC RESPONSIBILITY OPPORTUNITY

It is unacceptable, and even inexcusable, to me that we have homeless veterans in our country. So I am proud of the commitment we made in our community to address this problem. Last year, Riverside joined the national challenge to end homelessness amongst our veterans by the end of 2015. At that time, there were 86 known veterans living on the streets of Riverside.

While this was an audacious goal for our small team, I am proud to announce that we have found permanent homes for 89 veterans. Thank you to the homeless outreach team, led by Michelle Davis, and Monica Sapien, for overcoming so many obstacles along the way, and for a compassionate commitment to our homeless populations in the city.

Gratitude is also owed to our private sector partners for stepping into the fray -- Walmart, Ace Hardware, the Home Depot and the Apartment Association -- all of which committed to assisting our efforts across the region. This endeavor has inspired their customers, and members, to change the way they think about homeless vets – our soldiers, sailors, airmen and marines.

The next challenge for our team is to address the chronically homeless. A recent poll of Riverside residents shows that there are great opportunities to take action here. And I believe that we can make a real difference for this hard to serve population in 2016 with the same level of commitment that we placed into finding homes for veterans.

Another point of pride in this regard is under construction right now in Arlanza. If you haven't heard about the history and heritage of Camp Anza, join us on April 9 as the city celebrates Home Front, a best practice housing and supportive service development geared toward veterans and their families. It will be a great day in Riverside when we cut the ribbon and open the doors.

And thank you to our local military installations for your continued partnership. Your billion dollar economic impact makes a difference for this city and our region. The selfless service of the men and women who wear a uniform and volunteer to place themselves in harm's way deserves our appreciation. To all those who have served, or do serve, in the military, we are proud to be in your presence. Please stand to be recognized.

PUBLIC SAFETY OPPORTUNITY

I believe that we must continue to create a sense of place to instill pride in our residents. We know that public safety starts in our neighborhoods, where we live, play and connect with others.

Neighbors are the fastest first responders when problems arise. So we must continue to empower our neighborhood groups and to provide safe places to work and worship, play and learn.

I believe that great neighborhoods create great cities. The city's neighborhood division deserves our gratitude for conducting Neighborfests in Casa Blanca, the Eastside, La Sierra and across the city, and for bringing back the Small Sparks program to seed local projects that turn spaces into places, and bring more life and activity to our homes.

In Canyon Crest, residents brought their original entry symbol back to their streets last year and created one of the fastest growing neighborhood watches. These efforts empower our neighborhood groups who remain valuable partners that turn opportunity into action, every year.

Diana Ruiz is an excellent example of a neighborhood leader. She received the Jack Clarke Good Neighbor Award for helping the elderly, rescuing stray animals and advocating for the University Knolls Neighborhood. Diana is passionate about her neighborhood and city. She doesn't sit around and wait for things to change. She makes change happen.

One of the primary roles of government is to protect its residents. In our recent quality of life survey, most respondents report that they feel safe in their neighborhoods. We must continue to aggressively address crime in our city, sending a message loud and clear that criminals are not welcome in Riverside!

Not surprising, concerns about terrorism have increased following the attack in San Bernardino. Before this event, Riverside's police and fire departments worked together at unprecedented levels to ensure that our first responders are prepared for any crisis. I know that our first responders are well-trained and connected to our community.

Both police and fire regularly meet with Riverside residents and stakeholder groups and are deeply committed to maintaining positive public relationships. The Fire Expo and open houses were crowd favorites, with several thousand residents stopping by to show support for our first responders and to learn more about how they serve our community. The water safety program was a great success as the city did not have a single child drown in 2015.

I believe that RPD's decision to voluntarily pilot the use of body cameras during a volatile year nationwide, speaks volumes about their commitment to protecting and serving our community. And the City Council's approval of a new communication system will provide seamless communication with other jurisdictions, allowing for increased regional collaboration and a safety net for our officers, and thus our residents.

These are all actions that save lives and protect our homes and businesses. So if you see a police officer or firefighter in public, be a good neighbor, introduce yourself, and thank them for their service to our city.

INTERNATIONAL and REGIONAL OPPORTUNITY

One of my objectives as Mayor is to lead the charge on economic development and to make Riverside a location of choice for international companies.

2015 proved to be a busy year for international relations. The city hosted delegations from China, Mexico and Germany.

In turn, we took delegations of business and education leaders to visit Sendai, Gangnam, and our closest Sister City in Ensenada. Our objective in Mexico was to connect our educational institutions to the University of Baja and other research and academic organizations, and to set the stage for the celebration in 2016 for the 40th anniversary of the relationship between Riverside and Ensenada.

Our Sister City relationships continue to pay rich dividends. The most significant Chinese-American company to make Riverside its home is SolarMax, which came here as a result of our sister city efforts.

In 2014, they joined a delegation to China with the intent of bringing back international capital and companies to Riverside. This visit resulted in a call from a solar panel company. Impressed by our engagement with the Chinese business community, they approached my office to learn

more about economic development opportunities and the potential to locate a manufacturing facility in Riverside.

I am happy to announce that Sun Spark has opened Riverside's newest manufacturing plant. In a few short months, Sun Spark created 25 manufacturing jobs and expects to add another 25 jobs this year. Welcome President Sunny Zhang! We are proud to have you in Riverside, and we hope that our community is making you feel right at home.

In 2016, I look forward to everyone's involvement in the 20th anniversary of our Chinese Sister City, Jiangmen. I also look forward to celebrating the 40th anniversary with Ensenada and to announcing our next big success in international relations.

We are currently courting the seafood industry down south, and we hope that they will connect their operations with the March Joint Powers Authority, and their airport, this year, making Riverside a major international exporter.

The mining of international relationships is yet another example of how we have turned opportunity into action, through partnerships and by strengthening our city's global perspective and commitment.

So we have to start early, and grow our own entrepreneurs to improve our chances at becoming an industrial powerhouse and global market competitor. With this in mind, I am announcing an entrepreneurial boot camp for high school students at SolarMax. This boot camp will give young entrepreneurs a chance to sharpen their business skills by tackling real-world problems in a collaborative environment. It will also provide participants the opportunity to win scholarship money toward furthering their educational pursuits.

Speaking of sparking the intellectual curiosity of our youth, last year's Long Night of Arts & Innovation exceeded all expectations. We took the first steps towards truly becoming a regional event. Cal State San Bernardino is now a participant and sponsor and our partner in reaching out to the school districts that surround them. Thanks to all the educators in the room who assisted in getting the word out to your students about the Long Night.

13,000 people attended the event, observing 1,000 stellar presentations, and engaging 2,000 students who participated in the Curious Kids Zone. There were a variety of competitions ranging from math and art contests, to the Siemens Engineering Challenge for high school and college students. Long Night has truly become one of Riverside's signature events, inspiring and stimulating the intellectual capital of our region.

Now that the Ontario Airport is set free at a time when our regional economy is exceeding expectations, and Riverside University Health System is rebranding and retooling for continued growth, we must not take our foot off the accelerator.

This is an exciting time to see large and important partnerships forming, to answer the growing healthcare needs of local households and businesses. In the coming year, we look forward to working closely with the University Health System and our three hospitals – Community, Parkview and Kaiser -- which have continued to invest heavily in our communities. Together,

we will continue building on the outstanding community health initiatives which the City has adopted, to improve the health and quality of life across our region.

Other partnerships, like RUSD and UCR combining to build a STEM School, and La Sierra University and Alvord supporting the Arts Academy, proves that we are better together in Riverside.

To turn opportunity into action we must continue to build on our strengths. I would like to announce today that I am forming a working group charged with recommending to the city council, Riverside's approach to establishing an Innovation District. Innovation Districts around the country have physically and economically tied their city's most creative institutions together in a designated space.

The 21st century economy rewards collaboration. Firms and workers should exist in proximity, so ideas and knowledge are transferred quickly and seamlessly. Our diverse population demands more and better choices of where to live, work, play and raise a family. My vision for an Innovation District is a place that combines all of these elements, where housing, jobs and the arts intermingle, and where innovation thrives.

Thanks to the Honorable Ted Weggeland and Jack Clarke Jr., for accepting the Chair of this Initiative. I know with them at the helm, we will see action that will accelerate our momentum in this period of economic growth and prosperity.

CONCLUSION

So, let me end with this: people tend to find whatever it is they're looking for. Look for problems, shortcomings, someone to blame – and you'll find them. Look for opportunities, solutions, someone to help – and you'll find those, too. Once again, everything rises and falls on leadership.

You've heard me say long-term quite a bit in this speech. That's because I believe that long-term planning is one of the most important functions of leaders, especially those who hold public office. I believe that mayors and council members are blessed with the responsibility of governance and decision making for cities and our future. I believe that we must look deeper with an eye on the longer-term opportunities when making decisions on behalf of the public. And I believe that we must include more of the public in the process -- thoughtful residents, our international populations, college students and young leaders. And then we must have the fortitude to make the difficult decisions that are in the best interest of our entire city and its future generations. That's turning opportunity into action, because I believe that long-term return on investment will out-gain short-term thinking, every single time.

Now let's hear what some of our residents believe.

[BELIEVE VIDEO OF RIVERSIDE RESIDENTS]

Listen, I believe in Riverside, not just because I was born here.

I believe in Riverside because of its safe and diverse neighborhoods.

I believe in Riverside because of its focus on customer service and streamlined development.

I believe in Riverside because we invest in preparing our kids for careers.

And because we are committed to finding permanent homes for our veterans.

And I believe in Riverside, because of the people in this room, people that I know are deeply committed to developing a better quality of life for generations of Riversiders to come.

I believe in Riverside because of you.

So let's be bold in our actions this year and continue the momentum in Riverside.

Connect yourself with opportunity.

Extend a hand to connect others with opportunity.

Make a commitment to turning opportunity into action that will impact the future of our home, our community, and our world.

Thank you for sharing your time, treasure and talents with our city.

And thank you for allowing me the great opportunity of serving as your mayor.

May God bless you all, and may God continue to bless this great City of Riverside.