

State of the City Address  
Mayor Lily Mei  
City of Fremont  
March 31, 2017

Good afternoon.

Thank you for attending this year's State of the City Address.

I want to thank the Fremont Chamber of Commerce for hosting today's luncheon.

I'm very excited to be here  
and to present my first State of the City Address.  
It's an honor to share Fremont's vision for the future.  
Whether you are someone who works or lives in Fremont,  
I want to assure you that your voice will be heard and respected.

I would like to introduce my colleagues on the Fremont City Council:  
Vice Mayor Rick Jones  
Councilmember Vinnie Bacon  
Councilmember Raj Salwan, and  
Councilmember Dave Bonaccorsi.

I would also like to thank our City Manager, Fred Diaz,  
and the Management Staff,  
and all the City employees,

For those staff who are here today,

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please stand up so everyone can recognize the incredible work you've been doing to make Fremont shine.

*(applause)*

Together, we're finding ways to make Fremont a safer community, by implementing the Fremont Vision Zero 2020 traffic safety plan with a goal to reduce severe injuries and fatalities, and ultimately, reach zero traffic deaths.

I'm pleased to report that we've seen major traffic crashes decline by 38% and fatality reductions of 50%. Key efforts have included increased police enforcement of speeding and impaired driving, and ticketing to help calm traffic near our neighborhoods.

We're also working with our youth on the "Look for Safety" street marking program.

We're raising awareness this year about safety technologies in new vehicles that can avoid car crashes, like pedestrian detection and automated emergency breaking.

The Tesla Motors Factory in Fremont is building some of the safest cars in the world today.

And our Fremont Auto Mall is home to over a dozen dealerships selling cars with the newest safety technology.

So, if you're in the market for a new vehicle, think safety, and buy it in Fremont!

Your purchase directly contributes to our city's financial well-being.

The economy in the Bay Area continues to grow, and Fremont is at the crossroads between where people work and live.

Traffic congestion in our region is growing, a 22% increase over the past year according to the Metropolitan Transportation Commission. And Fremont's geographic location is literally a "funnel for traffic" from Silicon Valley jobs to homes in the Valley and beyond.

Compounding the issue, when there's a collision, sink hole, mudslides, or fallen tree on roadways or freeways, traffic clogs our streets, especially on 680, and in the Mission, and Niles Canyon area.

As part of our efforts to manage traffic congestion, we've worked with Caltrans to add ramp metering to Interstate 680,

posted signs that restrict neighborhood cut-through routes during commute periods,

and continue to partner with Waze through their Connected Citizens program.

We are making a difference.

Yet it will take some time for these apps to get reprogrammed and for people to change their driving habits, so your patience is greatly appreciated.

Regionally, we look forward to seeing some new major transportation improvements.

Specifically, a new northbound Express Lane on 680, more ACE trains serving Silicon Valley from Livermore and Stockton, and a BART extension all the way to San Jose.

Our 500 miles of streets are our most valuable and heavily used public infrastructure asset.

I'm proud that in the past four years, our City has increased investment for pavement maintenance, and in 2014, additional funding came from our County's Measure BB transportation program.

With this increase, we've seen the condition of our streets improve each year.

But there's still work that needs to be done. I've just returned, last night, from a lobbying trip to Washington DC, which included a meeting with the Department of Transportation to advocate for additional investment in Fremont's infrastructure.

Moving on now...

In recent years,

our improving revenues have allowed us to make significant progress in addressing priority needs identified by the City Council during the downturn, including:

street and facilities maintenance,

public safety staffing,

affordable housing,

and additional library hours.

We've also begun to make annual contributions to pay down the City's unfunded liability for retiree healthcare benefits.

Since establishing a trust for retiree healthcare benefits in July 2015, the City has contributed almost \$9 million toward paying down the unfunded liability.

Although the economy continues to expand at a moderate pace, we anticipate that our revenue growth will slow as the current business cycle matures.

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Additionally, like many public agencies across the country, increasing pension costs are applying pressure on our budget.

As we officially kick off our budget season, I invite you to get involved.

Share your input at the upcoming meeting and public hearings in May and June.

Learn more about the City's proposed operating budget for the next fiscal year, which begins July 1.

Ultimately, our ability to improve current level of services and invest in our City's future depends on continued revenue growth.

Next let's dive into Fremont's Advanced Industry profile, which continues to deepen.

Biotechnology,

particularly the manufacturing of medical devices and equipment, remains the largest sector.

Stimulating the larger economy through job creation and a growing supply chain network.

Companies like Boehringer Ingelheim,

are growing in Fremont as they innovate new processes for drug manufacturing, targeting everything from cancer to rheumatoid arthritis.

Cleantech has **also** grown in number of companies and jobs as we work towards advancing sustainable technologies.

The emergence of the Internet of Things, or "IoT",

as a primary Silicon Valley focus can't be ignored.

With companies like Littelfuse and TUV Rheinland opening IoT centers in Fremont,

there's no doubt that Fremont sits at the intersection of hardware and software.

And advanced manufacturing has never looked so promising. Thanks to a growing emphasis on local production,

years of dedicated efforts are paying off. Industrial manufacturing space is in high demand, and educational resources are aligning to meet the robust hiring needs.

On the topic of manufacturing growth, it was another banner year for Tesla with the launch of the Model 3, opening of the Nevada Gigafactory, and acquisition of SolarCity, just to name a few highlights.

We're proud that Tesla is the largest manufacturer in the state of California, and better yet, the largest employer in Fremont.

Last year, the City approved Tesla's Master Plan, which will allow it to grow, as needed, to meet customer demand.

Demand for new autos is universally strong.

A recent visit to Fremont dealerships revealed that many are top ranked nationally.

This includes our brand new Premier Subaru of Fremont dealership,

which by the way,

donated more than \$32,000 to Abode Services as part of Subaru's Share the Love campaign.

We look forward to similar success for the new Audi dealership, which should open at the end of the year.

A particularly gratifying visit was to our brand new Carmax.

It's a service hub for the region, which supports higher volumes.

And it's safe to say that Fremont has solidified its status as an electric vehicle capital.

In addition to Tesla, and GenZe scooters and e-bikes popping up all over, Lucid Motors, launched the 'luxury jet-like' Lucid Air.

That same week,

Chevrolet delivered its very first all-electric Bolts to its Fremont dealership based on its status as the number one selling Volt dealership.

At the end of last year, there were nearly 5,000 EV owners in Fremont.

And Fremont's 94539 zip code has more EVs than any other zip code in California.

I'm glad we're also providing EV stations that offer quick and convenient charging at a reasonable hourly price.

I'd also like to highlight the partnership between

the Fremont Chamber of Commerce,  
the City,  
and two Fremont Cleantech firms,  
Gridscape Solutions and Delta Products,  
for bringing 8 new EV Charging stations to the Bayside Business Park for  
workplace charging.

And soon there will be a total of 15 charging stations in the Downtown.

Fremont's efforts to attract higher education partners is showing traction.

Last year,  
we celebrated some exciting additions to our technology support system,

including renowned French coding university, Ecole 42,  
which selected Fremont for its U.S. campus.

The Fremont Innovation District is steadily adding new technology players,  
and helping others grow.

We welcomed contract manufacturer SMTC,  
who produces electronic control systems for some of Silicon Valley's most  
exciting technology products.

And they join established companies in the district  
such as Lam Research,

this year's winner of the East Bay Innovation Awards in the Advanced  
Manufacturing Category.

New infrastructure like our West Access Bridge project  
is a shining example of a public / private collaboration effort  
in our Innovation District.

This project will support the Bay Area's only "Mid-Bay" employment-focused  
transit hub,

and bring to Fremont an iconic pedestrian and bicycle bridge

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with an urban plaza

that will connect the newly opened Warm Springs South Fremont BART Station to priority development areas to the west.

Nurturing future innovators is an increasingly important part of our economic development program,

you may recall that Sizeup.com ranked Fremont No. 1 in the nation

for startups on a per capita basis.

Fostering this ecosystem is Startup Grind Fremont, which just celebrated its one-year anniversary.

A town hall discussion on the “Maker Movement,” facilitated by Recast City

brought together 60 small scale producers,

real estate professionals,

and community leaders

to learn how to create vibrant “connection centers”.

Fremont’s own makers, including ZeeFoods, DasBrew, SchmartBoard and Designer Carole Wang

provided input for a Fremont specific report.

I’m excited to announce

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that the City of Fremont and the Fremont Unified School District are entering into an agreement with “FUSE Corps”

for a one-year fellowship focused on building a sustainable program

to integrate STEAM and Maker Education efforts

that will lead to local advanced manufacturing jobs.

And to address the “A” in “STEAM”,

Fremont is nurturing the arts through talented groups like the Fremont Symphony Orchestra, Music at the Mission, and the StarStruck Theatre.

Let’s now turn to retail.

Campo di Bocce has renovated the former CityBeach building and restaurant,

adding bocce courts, and keeping the rock climbing features.

While Living Spaces and Home Elegance have expanded their distribution space based on strong demand.

At Pacific Commons, keep your eye out for the new Gen Korean BBQ, opening soon.

Retail tenants are also following the momentum in downtown.

Inchin’s Bamboo Garden has brought its Indian/Chinese fusion cuisine and sophisticated ambiance to Downtown.

And highly sought-after Philz Coffee is coming to the Raley’s shopping center.

Staying in Downtown,

Fremont continues to make progress

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on building  
our Downtown from scratch,

something that reflects Fremont's uniqueness and can be enjoyed by everyone in our community.

Events continue to take place throughout all phases of development and are critical components to engaging the community as we build out the infrastructure.

Programming is happening as we speak to ensure lively, engaging summertime events.

Capitol Avenue is also now connected, from Fremont Boulevard to Paseo Padre. The entire street underwent a strategic makeover, opening last October with a ribbon cutting ceremony.

New streetscape infrastructure sets the stage for additional private investment, and ultimately for our future civic center.

Public private partnerships are key to ensuring our Downtown continues to thrive and grow.

Our efforts are now focused on enhancing pedestrian and bicycle connections and improving aesthetics from Downtown, through Gateway Plaza and along Bart Way to the Fremont BART station.

Public facilities are essential components that will add to Downtown's

economic vibrancy and serve as Fremont's civic and social heart.  
We are working on a cost effective,  
green,  
and practical design for our new civic center  
that will consolidate City administrative services effectively onto one site.

This effort will provide better access to overall services for our community.

And Downtown's skyline will soon be going vertical,

as Fremont's first public-private partnership project,  
Locale AT State Street is under construction.

It offers a mix of new housing,  
retail,  
and restaurant opportunities that will become available in late 2018.

The project is made possible through a partnership between  
the City,  
TMG Partners,  
Sares Regis,  
and SummerHill Homes.

Also on the rise,  
after many years of hard work and thoughtful planning to create a vision,

a SIGNIFICANT transition is underway in Warm Springs.

Large-scale mixed-use development projects,  
and planned expansions of our innovative companies are all in the works,

and made possible by significant investments and partnerships between the City,  
private development,  
and our business communities.

As a new backdrop emerges in Warm Springs, Lennar,  
Toll Brothers,  
and Valley Oak Partners'  
projects will provide extensive public infrastructure,  
including a new elementary school,  
an urban park and plazas,  
4,000 residential units,  
of which 524 are affordable rental units  
and 1.7 million square feet of new commercial space.

These master-planned projects are at various stages of permitting and construction.

And about the new elementary school,

Lennar, Toll Brothers, and Valley Oak partnered to fund,  
construct,  
and transfer

a five-acre K-5 elementary school to the Fremont Unified School District  
which would be centrally located in the Innovation District.

Also worth noting in Warm Springs,  
Sobrato Organization  
is processing a master plan that will add another 584,000 square feet of  
office space  
and 110,000 square feet of advanced manufacturing space,  
thereby increasing the number of potential jobs within the Innovation District.

The Sobrato site is located just half a mile from the Warm Springs/South Fremont BART Station,

creating the opportunity for two-way ridership,  
from the north to south,

by placing Fremont as a prominent Silicon Valley employment hub.

Fremont is showing support in connecting jobs to transit.

A key component will be implementation of a last mile transit program that addresses the missing connection between the new BART Station and our employment centers.

We aim to reduce overall traffic by at least 20% with this program.

We encourage our businesses to step up,  
as we work to connect interested employers with each other  
for shared last mile transit programs to reduce solo driving.

If this effort sounds like a fit for your business to be a good steward,  
please let us know.

Meanwhile, have you noticed our nights are getting brighter too?

In the past year,  
we replaced all the street lights citywide with LEDs,

an update that has helped with night-time visibility and safety on our  
roadways.

The upgrades will more than pay for themselves through utility cost savings,  
with an estimated savings of nearly \$13 million over the life of the

improvements.

And despite recent drought conditions where we all made significant cutbacks in usage,

we're on track to save an additional 8.7 million gallons of water annually throughout City facilities and our parks.

These efforts are part of a public-private partnership with Opterra Energy Solutions.

And through the Bay Area SunShares program, pre-negotiated discounts were offered to Fremont residents

for solar electric systems and zero emissions vehicles.

Locally, roofing and solar home improvement contractor, Petersen Dean is also expanding its workforce here in Fremont with another 300 jobs in the next fiscal year.

And Fremont has even more green news to celebrate! Congratulations to the Dominican Sisters for earning a Gold rating LEED status for their conference center and housing, and to Delta Products headquarters for achieving Platinum status, the highest level from the US Green Building Council.

And we look forward to Ohlone College's new Academic Core buildings, targeted for Gold status.

From our green initiatives, to our charming historic districts and neighborhoods,

construction is in full swing at the Artist Walk mixed-use project in the heart of the Centerville district.

The entire project is expected to be completed by October, with pre-leasing of apartments to begin next month.

Over in Irvington,

last June we completed a scoping study to identify issues related to the development of an Irvington BART station.

We'll be updating the station site plan to address a shift from an auto-oriented station to one that has multi-modal accessibility with a greater emphasis on walking,

and making transit connections.

Up the road in Mission San Jose,

Mission Palms is now complete, providing more amenities for the neighborhood.

And community groups continue to organize annual gatherings.

And thanks to the Fremont Museum Group, grab your Passport to Adventure,

and start your Mission journey by visiting the Washington Township Museum of Local History and Old Mission San Jose.

Meanwhile,

over in Niles,

community members supported the successful Crab Feed to benefit the Niles community

and the City's Giving Hope program,

which brings holiday joy to hundreds of families and assists elders and those in need year long.



And now let's talk about some new efforts underway.  
To keep the community informed, we've launched the Development Digest, which delivers news from Fremont's Community Development Department.

We've also utilized Fremont Open City Hall, our online civic engagement tool, to solicit feedback from the community on a variety of development topics.

And launched 2 new online tools.

Through Open Counter, simply answer a few questions and see the requirements and fees for starting your business.

And with Zoning Check, users know where in the city their new business could be located.

These new tools signal Fremont is open for business.

We're more focused than ever on helping business owners open or expand their business in Fremont. Benefits of our Business Ally Program include a single point of contact who provides one-on-one assistance.

We look forward to expanding the program's reach and forming a team of Business Allies. Each Ally will be assigned to a major company or housing development to handle all permitting needs.

Speaking of housing, one beautiful new affordable housing project recently opened and we have more in the pipeline.

Laguna Commons reserved units for our Veterans,

and Habitat for Humanity began construction on Central Commons.

And a new affordable senior apartment complex and senior center are in the works.

Nonprofit housing developer Eden Housing, in partnership with the City, Alameda County, and East Warren Park.

Construction on the apartments starts this July.

Adding to the City's over 1,500 units of growing inventory of affordable housing, site work has begun on the Innovia project.

A partnership between affordable housing developer St. Anton Communities and Lennar Homes, this will be the first residential project being constructed as part of the Warm Springs Community Plan.

Also in the works, Central Park will be getting a new Group Picnic Area with seating for over 400 guests.

And demonstrating Fremont's commitment to wellness, we cut the ribbon at our Central Park Synthetic Cricket and Soccer Field last August.

Switching gears to public safety,

I'm proud of the work the Fremont Police Department is doing in our community to address public safety.

One of the issues our City is dealing with is an increase in robberies. We have seen a shift,

but the rate still remains lower than in years prior to 2010.

Of importance, the department made a total of 59 robbery arrests in 2016 in conjunction with the assistance of our community.

Last year, similar to other jurisdictions, our City saw an increase in auto burglaries and auto thefts.

However, our residential burglary rates are down, decreasing by 11% in

2016.

It's also worth noting that since 2013, the residential burglary rate in Fremont has dropped by 40%. These decreases have occurred during the Department's focused program to address residential burglaries working with our neighborhoods.

Residents and business owners are encouraged to install video camera systems and to register them with the Police Department. By working together we can continue to make our community safer. And to complement this strategy,

the City of Fremont has installed 9 video and license plate reader systems at major exit points\_around the city.

And if you're not already thinking about how you, your business, and family will manage in the event of an emergency or disaster, Now **is** the time to make a plan. You may need to be self-sufficient for up to 72 hours until our first responders arrive.

Overseeing the City's preparedness for disasters is Fremont's first-ever Emergency Services Manager, Alex Schubek. He leads Fremont's New Office of Emergency Services.

Service to others is in Fremont's DNA.

In January, more than 90 community volunteers and City staff participated in a countywide homeless count in Fremont,

which is conducted every two years to retain and improve Alameda County's funding for homeless services.

Another important count on the horizon is the 2020 Census, which directly correlates to the federal funding Fremont receives.

Locally, I'm also proud of the success we've seen with the Fremont Warming Center,  
which operates out of the Fremont Senior Center.

More than 180 volunteers helped us serve 271 individuals,  
ranging in age from 6 months to 81 years.  
We're appreciative of those who generously contributed cash and in-kind  
donations totaling more than \$7,500,  
which allowed the center to be open 65 nights,  
serving more than 4,600 meals.

We also just kicked off the Age-Friendly Fremont initiative,  
which focuses on supporting everyone to age well in a livable community,  
and we continue delivering important mental health and social services.  
Over the past year,  
we've helped more than 1,500 youth, adults, and seniors through the  
supportive services and programs you see on this slide.

The Police Department is now forming teams in partnership with  
Alameda County Behavioral HealthCARE Services  
to significantly expand their ability to deal with emotional crisis situations.  
Partnerships like this one make our community stronger.

We also value our close working relationship  
with the Fremont School Board  
and the school district,  
Fremont's second largest employer,  
and look forward to our joint efforts to prepare the workforce of tomorrow.

We continue our work with Washington Hospital, Kaiser Permanente, and  
Palo Alto Medical Foundation Sutter Health,  
as an investment with the healthcare services for our community.

The City's partnership with the Fremont Chamber of Commerce,  
continues to support small business growth through  
workshops,

targeted events,  
and business district walkabouts.  
We're excited that the 2017 "Enjoy Fremont" Guide,  
which was on your chair,  
now includes retail along with hotel and restaurant listings.

To gauge how residents feel about Fremont's various City services,  
last year we conducted the 2016 Community Survey.

Four in five residents rate the quality of life in the City as "good" or  
"excellent,"  
and see it as a great community for families, seniors, and newcomers.

And 82% agreed that Fremont's diversity is an asset.

This is great news,  
as the City of Fremont celebrates being one of the most diverse cities in the  
United States.

We've been recognized as a national model  
of how people from different cultures,  
ethnic,  
and religious backgrounds  
can live,  
learn,  
and work together in peace and harmony.

This fabric is what makes our community unique and strong,  
and perhaps,  
one of the happiest places to live in the U.S. according to Wallet Hub.

And for those who live here,  
we're looking for your input.

Fremont is pursuing switching from an at-large to a district-based election  
system for electing City Council members.

Get involved,

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and attend an upcoming public hearing to learn more about the composition of the districts and weigh in on drafting district maps. Meetings kick off next Tuesday, April 4 at 7 pm.

It's been an eventful year for the City of Fremont, to say the least.

We've been waiting for the seeds we planted decades ago to take root, and now that patience is paying off. From seeing Downtown Fremont start to take shape to witnessing the first train pull into the brand new Warm Springs/South Fremont BART Station, a project that has been 30 years in the making, things are really coming together.

This is truly a period of metamorphosis for Fremont. We can't wait for what lies ahead.

If you'd like to stay connected with us and get the latest updates on Fremont, make sure to check out [www.Fremont.gov](http://www.Fremont.gov), where you'll be able to download this speech and slides, as well as additional resources.

I'd like to end by sharing my appreciation for the staff here at the Marriott, Zack & Joe with AVMS, Walter Garcia, Gretchen Burgess, and most importantly Cheryl Golden for all her many hours of hard work to help me share my message with you here today.

Thank you.