

State of the City Address
Mayor Lily Mei
City of Fremont
October 21, 2021

During last year's State of the City, I opened my address by speaking on the unparalleled challenges that our community members, business owners, and local government have faced during the global pandemic. While we've made much progress toward combatting the effects of COVID,

the need to re-imagine, restore, and recover remains.

The landscape of our nation continues to shift,

and our local governments must continue to evolve with changing needs and priorities of our community.

The City of Fremont continues to lead the way in these efforts,

taking steps to support local businesses and residents that have been economically affected,

fighting climate change by initiating innovative programs,

strengthening Fremont's infrastructure against natural disasters,

creating new events and initiatives that promote diversity and inclusion,

and evolving how all City Departments serve the public.

I'm pleased to share with you today some of the highlights this year

and what we are looking forward to as we move into 2022.

Before I begin, I'd like to welcome and recognize my colleagues on the Fremont City Council:

Vice Mayor Yang Shao

Councilmember Teresa Keng

Councilmember Rick Jones

Councilmember Jenny Kassan

Councilmember Raj Salwan and

Councilmember Teresa Cox

By partnering with the City's Leadership Team we continue to serve Fremont and provide support to our residents and businesses.

And speaking of the City Leadership Team,

I'm thrilled to announce two recent appointments this month.

First, meet Karena Shackelford, Fremont's new city manager.

Karena is a dynamic leader in our City organization with a proven track record and over 20 years of experience in local government.

She's led complex projects, effectively implemented the Council's policy direction, overseen the public works, community services, and information technology services departments,

and has built positive relationships throughout the organization and community she grew up in.

When we began discussions to select Fremont's next leader,

the Council was decisive and unanimous in recommending Karena.

We believe she will continue Fremont's tradition of innovation, fiscal sustainability, and addressing issues the community cares about.

And meet Police Chief Sean Washington,

who was recently sworn in as Fremont's eighth top cop.

Taking the torch from well-respected Chief Petersen,

he brings 24 years of experience serving the Fremont community to his new leadership role.

Our community is invited to a virtual event to celebrate Chief Washington on November 18.

Following up on several months of community meetings and interactions,

he rolled out a Police Chief Transition Plan last month that prioritizes:

Enhancing community relationships, trust, and police legitimacy

Assessing organizational effectiveness and efficiency

Reviewing policies and procedures,

Providing additional professional development and training opportunities,

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Increasing internal communication, team building, and employee wellness
And supporting City initiatives.

On the topic of City initiatives,

our City Council identified priorities in the beginning of 2021 that would guide us as we continue to make decisions for Fremont.

These areas of emphasis were, first and foremost,

tending to the financial health of the City through a responsible budget and increased tax base,

continued COVID-19 responses,

addressing homelessness,

and, finally, neighborhood improvement.

As I recount all that we have accomplished this year,

you'll see these priorities woven with care into each program, policy, and solution we've put into place.

At the onset of the pandemic, unemployment in Fremont reached over 11%, with over 12,000 residents unemployed.

The number of small businesses in the East Bay reduced by over 30%,

and the City faced a significant general fund budget deficit.

We had our work cut out for us.

Faced with this challenge, the City put in place an Economic Recovery Strategy to enable Fremont businesses and workers in the community to respond, recover, and thrive.

The Strategy focuses on three pillars:

Supporting small business recovery,

Leveraging inclusive workforce development opportunities,

and helping rebuild a resilient tax base for our City.

Over the last year, the City has implemented many aspects of this Strategy, and businesses large and small have resumed hiring.

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Today more than 6,000 people have been rehired and consumer spending is up double digits from pre-pandemic levels. Put simply, our businesses are investing on the strength of Fremont's future.

We also continued popular programs such as Gift Fremont, which incentivized the purchase of gift cards for local businesses, and Pop Up Patio, which allowed businesses to create vibrant outdoor dining spaces.

In fact, these outdoor spaces will be here to stay as City staff works over the next few months to develop standards in the zoning ordinance that allow restaurants to create permanent outdoor dining areas through a simplified permitting process.

And continuing our support of local restaurants, we partnered with the Fremont Chamber of Commerce to launch the Dine Fremont program, offering customers of participating restaurants a chance to win restaurant gift cards and a grand prize throughout the month of September.

Local protections for residents and small businesses also continued, with the City of Fremont's Anti-Gouging Ordinance, Commercial Eviction Moratorium, and other City Emergency Orders still in effect and in line with County Ordinances.

We also introduced Keep Fremont Housed, a rental assistance program, earlier this year which has helped 583 households at risk of facing housing instability through the distribution of more than \$8.1 million federal U.S. Department of Treasury stimulus funds.

From leading COVID-19 testing efforts in the city early in the pandemic, Fremont firefighters remained committed to fighting the disease by partnering with Haller's Pharmacy to provide over 22,000 Pfizer vaccinations to community members in Fremont and throughout Alameda County.

We also partnered throughout the year with

Bay Area Community Health and Asian Health Services
to host testing clinics at various locations throughout Fremont including

Tri City/ Bay Area Community Health Liberty Street clinic

Mission Valley ROP

FUSD

Fremont Family Resource Center

Irvington Community Center

as well as in Central Park where Bay Area Community Health has also added a vaccination clinic.

Moving now to the City Budget,

The COVID pandemic and related public health restrictions have substantially reduced our City's General Fund and Recreation Fund revenues. The hardest hit revenues include sales tax, hotel and business tax, and recreation fees.

Fortunately, the federal government has provided the City with opportunities to restore services that were reduced due to pandemic-related revenue losses through the American Rescue Plan Act State and Local Fiscal Recovery Funds.

The City has been allocated \$22.1 million of fiscal recovery funds in the current fiscal year and will receive a second allocation of the same amount in mid-2022.

In June, our Council adopted the FY 2021/22 operating budget which stabilizes our Recreation Fund with \$2.1 million of the fiscal recovery funds and uses the balance of \$20 million to restore services in our General Fund.

We'll apply the second installment of fiscal recovery funds to maintain General Fund services over the next two fiscal years as our revenues recover.

More recently, in August, we were able to take advantage of historically low interest rates to refinance \$20.6 million of the City's general obligation bonds.

The savings from the refinancing will result in a general obligation bond property tax reduction of approximately 12% for the City's residents and businesses, or \$4.1 million net present value savings.

Despite the changing economic landscape, one thing hasn't changed.

Our commitment to fiscal responsibility.

And for the 24th consecutive year, the City of Fremont was awarded the Distinguished Budget Presentation Award from the Government Finance Officers Association.

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I'm so proud of the staff that have consistently made this possible, and the work they put in to make sure our Budget serves as a policy document, a financial plan, an operations guide, and a communications device.

While there was much hardship that stemmed from the COVID-19 pandemic, we also had a lot to celebrate this year.

We recognized the need to create more gathering spaces in our city, and are proud of opening three new City facilities for our community this year.

People of all ages can now safely connect with each other year-round at the Downtown Event Center and Plaza, Lila Bringham Community Park, and for those 55 and up, the Age Well Center at South Fremont.

Turning our attention to our unhoused population,

we reported on the success of the Fremont Housing Navigation Center that opened in August 2020.

The HNC provides a clean, safe, and calm environment to allow participants to focus on finding stable, permanent housing.

Within the first year,

the Center served 70 individuals,

25 are still in residence and another 37 have transitioned into alternative housing or shelter arrangements.

The HNC is just one initiative underway in Fremont aimed to alleviate homelessness.

The Safe Parking Host Site Program was approved in July.

The program permits faith-based sites to host Fremont's community members who are living in vehicles, onsite overnight.

Participants in the program will have access to clean water, restrooms, health services, and housing assistance.

I'd like to now talk about a few of our City's technological advances that are furthering our Smart City initiatives, starting with improving traffic flow on our streets.

Several years ago, we conceptualized a traffic signal modernization program to use technology to better detect real-time traffic conditions and then have "smart" traffic signal control equipment adapt accordingly.

The result is more efficient traffic flow, less waiting at red lights, and faster response times for emergency vehicles.

I'm pleased to share that we have a major signal modernization project starting soon on 9 miles of Fremont Boulevard that will be complete next summer.

Also, for residents and businesses needing a building permit, we have upgraded our Citizen Access online permitting portal with a new look, improved navigation, and better functionality for users.

Telecommunication and reliable wireless connectivity have also proven to be essential as we recover from the effects of COVID-19 and the popularity of remote work increases.

Last month, Verizon expanded its 5G network for Fremont customers by deploying small cell infrastructure to improve speed and reduce gaps in data coverage via a master license agreement with the City.

This deployment is the first of many steps to improve connectivity and build a robust, citywide network that enables advanced technology in Fremont through our City Small Cells Project.

And we're partnering with Magellan Advisors to develop a Broadband Master Plan to ensure robust broadband is available to enable economic development and Smart City initiatives.

Visit our City website to participate in the survey.

Fremont also celebrated the launch of the Earn and Learn Pilot Program, which achieved two goals.

First, it helped Evolve Manufacturing attract much needed new talent.

Second, it helped minority job seekers affected by COVID-19 layoffs start a career in advanced manufacturing.

We continue to see technology and life science companies coming to and expanding in Fremont,

which is a testament to our City's exceptional resources and openness to innovation.

For example, Fremont's skilled workforce and manufacturing expertise are putting our city at the forefront of the energy storage revolution.

In the past year alone, we have welcomed news that home-grown Enovix has begun production of 3D, lithium-ion batteries at its Fremont plant,

which will eventually be capable of producing 45 million batteries per year

as well as EnerVenue, a utility-scale battery storage company that moved its headquarters to Fremont and is constructing its first manufacturing plant here.

And of course, Tesla, who celebrated its inaugural Battery Day in Fremont last year,

and has since completed one of the world's largest and most advanced battery production lines in Fremont.

Home to additional cleantech innovators such as Enphase, Bloom Energy, and Nextracker, Fremont has become the global leader in the next wave of cleantech innovation.

Also, Fremont-based startup Pony.ai started its driverless autonomous vehicle testing after receiving authorization from the California Department of Motor Vehicles in June.

Tests were conducted on streets in South Fremont and could evolve into a "robotaxi" service that runs between several areas in Warm Springs, including the BART station, Pacific Commons, and job sites.

Life Sciences is Fremont's largest growing industry.

Since the onset of the pandemic, the number of life science companies in Fremont grew from 115 to over 140 companies, creating thousands of new jobs in research and manufacturing and building a resilient local supply chain in Fremont.

Among the new additions include pharmaceutical manufacturer National Resilience and personalized cancer treatment provider Personalis.

2021 also brought the expansion of Bio-Therapeutic manufacturer Boehringer Ingelheim.

BI's Fremont workforce has grown to over 700 employees, with a median educational attainment of Associate's Degree and median salary of over \$100,000, providing critical middle-income jobs for our community.

Although the pandemic delayed some business initiatives worldwide, Fremont's economy remained robust and steady, with business investments increasing in all of the City's largest industries, especially manufacturing.

Next up is the City work I am most proud of, as it helps to uphold and honor diversity, equity, and inclusion by creating events and initiatives that prioritized fair treatment, equal opportunity, and respect.

Throughout the year, we engaged in many initiatives to do just this, including joining the Cities of Opportunities cohort led by the National League of Cities, where I personally serve as the Chair of the Mayor's Education Task Force, to better address inequities by developing comprehensive and equitable policies and practices.

To kick off the summer, we launched Active Fremont: Walk, Bike, Hike, a wellness campaign in partnership with Washington Hospital, East Bay Regional Park District, and Regional Parks Foundation.

The events not only encouraged community members to get outside and prioritize their health,

but they also introduced new neighbors to one another, strengthened relationships, and showcased our diverse community.

Fremont is now one of the Bay Area's leading cities for protected, safe and innovative bikeways,

and was recently recognized as a silver-level, bike-friendly city by the League of American Bicyclists.

We also received a 90% grade by the Municipal Equality Index, which measures the ways in which local cities support LGBTQ+ community members. As we look at ways to increase our score, Police Chief Washington has approved adding more diversity to the Chief's Advisory Committee.

With our world becoming more connected, we know that events happening across the globe can deeply affect our own diverse community.

Fremont is home to one of the largest Afghan communities in the Bay Area.

In August, our Council released a statement addressing the humanitarian crisis in Afghanistan.

But we know actions always speak louder than words.

That's why our Human Services Department established the Afghan Help Fund.

This fund will provide direct assistance to Afghan Refugees, covering housing, food, clothing, and other needed services.

I'm thrilled to report that we have raised over \$290,000 dollars

due to national media coverage and the generous donations of our own community and those from all over the United States.

In addition, we are finalizing policies and procedures in accordance with the Racial and Identity Profiling Act of 2015, known as RIPA.

Intended to improve racial and identity sensitivity in law enforcement,

this law requires reporting on time, date, location, and reason for a police detention in addition to reporting the perceived ethnicity, age, and gender of the persons stopped or detained.

The Police Department will begin collecting stop data for the Department of Justice on January 1, 2022, when the law goes into effect for law enforcement agencies our size.

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Art is another wonderful way we're showcasing and celebrating diversity.

This year, we incorporated braille and Fremont's history into our City's boxART! Program installations,

as well as installed new art in South Fremont.

And by the end of this year,

our City will leverage the Census 2020 data to redraw our district lines to reflect how our City has changed.

We will do our best to ensure that the voices of under-represented communities are heard and listened to through public hearings, written testimonies, and map proposals.

Building on the core value of accessibility,

this year we also launched Fremont's Open Data Hub,

a one-stop shop for all City resources including

maps, data sets, permit portals, websites, and external and internal resources.

Building off retired Chief Petersen's Engage Fremont community conversations on policing and race that began in June 2020,

we published a comprehensive report that summarized the main community concerns and suggestions and reaffirmed FPD's commitment to our community.

Chief Washington ensured his Transition Plan addressed the recommendations in the Engage Fremont report.

One large action that resulted from these community conversations

was expanding the mission of the Mobile Evaluation Team, commonly known as MET,

to include outreach, mental health assessments, and referrals to social services for those experiencing homelessness.

In addition to this expanded mission, the Human Services Department and Police Department worked together to create an additional Crisis Intervention Specialist position.

This enhancement will increase our ability to conduct field outreach and engage and meet unhoused persons where they are to provide resources.

Another Engage Fremont focus was to reassess the School Resource Officer Program in partnership with the school district.

The SRO unit works toward ensuring a safe learning environment for students, teachers, and school administrators by providing immediate response to some medical emergencies and incidents of violence or crime.

This past June, we negotiated new program terms and are currently in the process of finalizing a MOU and policy.

In addition, the Police Department enhanced SRO training, developed alternative police uniform options, began tracking SRO daily activity and collecting data on referrals to diversion and emergency incidents, among a host of other things.

To keep the dialogue with residents, businesses, and other community members going, FPD is establishing an annual community survey.

I encourage all residents to use their voice and participate in this survey by November 5, so that the Police Department can continue to advance its service-oriented, community-based policing model.

Circling back to Chief Washington's goal of aligning with City initiatives, the Police Department announced the deployment of a new Tesla Model Y patrol vehicle last month, the latest addition to the Department's hybrid and electric fleet of over forty vehicles.

The highly favorable results of our patrol EV pilot program set the foundation for our City to continue investing in clean technology

as we identify additional long-term, economical ways to be more sustainable and meet Fremont's goal of reducing our greenhouse gas emissions by 55% by 2030.

Moving now to the Fremont Fire Department's efforts this year, not only did the department defend against fires in city limits, but they also provided mutual aid assistance for wildfires and other natural disasters throughout our state and nation.

While our Firefighters responded to many calls for help, there are some that stand out such as assisting the Adventist Health Bakersfield hospital as part of multiple CAL OES requests for Paramedics and EMTs staffing hospitals due to surges in COVID-19 cases.

And enhancing search and rescue capacity in response to Hurricane Ida as well as the Dixie and Monument Fires.

We thank our firefighter team, especially their families, for making personal sacrifices to serve both Fremont and other communities in their time of need.

Later this month, the Fremont Fire Department will wrap up its recruitment for lateral firefighters, both paramedics and EMTs, focusing on those who bring diversity to the team to better represent the demographic makeup of Fremont, including women and those from various cultural backgrounds. The new Fire Academy will kick off this February.

The Fremont Fire Department remains at the forefront of utilizing technology to serve our community.

In 2003 the Department led the way in Alameda County to implement the first generation of mechanical CPR devices, and this year firefighters participated in a two-month field study on the 4th Generation LUCAS 3.1 Chest Compression System.

Shown to be safe and effective,

Fremont is the first in the County to use the devices during sudden cardiac arrest responses.

Today, over six million Californians participated in the annual

Great Shake-Out Earthquake Drill that took place this morning at 10:21 on the third Thursday in October.

If you didn't have a chance to participate, you can still organize a drill.

As one of the safest cities in America,

we practice personal preparedness year-round and encourage you to keep up your personal preparedness efforts!

Finally, both Fremont Fire and Fremont Police,

along with other local public safety organizations commemorated the 20th Anniversary of 9/11 by hosting a remembrance ceremony at the Central Park Performance Pavilion.

The event served as a somber memory of a day that forever changed us all,

yet also a beautiful reminder of the connection, resiliency, and strength of our community.

Looking on our past, we build to the future.

Fremont will continue spearheading various initiatives to improve the lives and operations of our community members and organizations as well as make a positive impact on the environment.

Starting with the Parks and Recreation Master Plan.

We are currently gathering data on our City facilities and programs, to better provide equitable levels of service and meet future demands, as well as establish priorities and funding strategies.

Next, the Council adopted the Trails Strategy Plan,

which provides an overarching framework for implementing future trail projects.

But the work doesn't stop there.

We are also developing an Urban Forest Management Plan to achieve a long-range vision for our community's forests.

Whether it be sustainability, recreation, or building our local economy,

we have continued to show remarkable effort in several initiatives that contribute to the overall quality of life for Fremont residents, including:

Updating the Climate Action Plan to include a wide variety of measures to help us meet the City's new goal to reach carbon neutrality by 2045.

We look forward to releasing the 2.0 Plan sometime next spring.

Becoming a 2021 Beacon Leadership & Innovation Award winner for our innovations in clean energy,

as well as a 2021 Beacon Vanguard winner for achieving Platinum Level

in Greenhouse Gas Reductions,

Energy and Gas Savings,

and Overall Sustainability Best Practices.

And committing to the growth of our businesses.

In 2021, new leases were signed by Din Ding Dumpling House, Banter Bookshop, and Deka Lash to locate in our newly renovated Downtown Fremont.

These businesses will join recently opened plant-based RawASF restaurant,

and new pizzeria and taphouse, SLIVER Pizzeria,

on track to open next spring.

To address the need for affordable housing related to market-rate housing production and to foster an adequate supply of housing in Fremont for all persons at all economic levels,

our Council is currently in the process of adopting revised in-lieu fees,

while maintaining a hybrid option and inclusionary requirements.

I'd like to now touch on our legislative priorities.

We've heard you, and we're making sure your concerns are being heard at the federal level as well.

We were visited by both Congressmembers Khanna and Swalwell this past August.

Stemming from these visits, Fremont is being considered for funding under the Congressional Community Funding Project and Designation processes.

If awarded, this funding will go towards four projects noted on the slide in the federal fiscal year 2022.

While we continue to navigate the long-term effects of the pandemic, we do so confidently, working toward a promising future.

Through it all, Fremont has come out stronger.

We've prioritized the health of our community members, furthered our position as a Smart City, supported our many local businesses, and continued developing initiatives to address economic recovery, homelessness, diversity, and more.

I'm excited to build on our tremendous work in the coming year.

We remain committed to navigating the challenges that arise, and I am hopeful our journey together will result in Fremont's continued triumphs.