State of the City Address Mayor Lily Mei City of Fremont March 28, 2018

Good afternoon.

I'm pleased to be here again in partnership with the Fremont Chamber of Commerce, the host for today's luncheon.

2017 was a busy year for Fremont.

I'm proud to share with you the State of the City Address and shine a spotlight on our City's accomplishments.

I would like to recognize my fellow colleagues on the Fremont City Council: Vice Mayor Vinnie Bacon

Councilmember Rick Jones

Councilmember Raj Salwan, and

Councilmember David Bonaccorsi.

I would also like to thank our City Manager, Fred Diaz, for his dynamic leadership over the past 14 years.

Fred recently announced his retirement and will be with us through July.

We have a national recruitment underway to hire a new city manager.

I'd like to ask the audience for a round of applause to show appreciation for our hard working City employees.

As the City grows, so will our City Council. In the November 2018 election, voters will participate in the first district-based election in our city, moving away from at-large city elections.

This year, four Council seats will be up for election which are highlighted in light green on the screen.

To determine which district you live in, use our handy new Council District Locator tool and plug in your address.

2017 was yet another year of strong economic growth for the region and for Fremont.

Let's start off with a hot topic for Fremont businesses, Talent Acquisition.

We are tackling the next generation workforce issue head on, with a focus on education at all levels,

from a variety of programs and partnerships involving K-12 students, to new higher education opportunities, and special training programs.

Starting with higher education, Fremont is driving strong growth in opportunities to enhance workforce preparedness for key industries.

42 Silicon Valley, an innovative engineering college, has launched their world renowned program in Ardenwood, attracting students from across the globe.

Their unique approach, which includes no teachers, no grades, and no tuition, has generated significant buzz in the community.

Keck Graduate Institute known as KGI, is the highly regarded biotech graduate program that is part of the Claremont College system.

It has also established a Fremont presence, conducting professional development workshops as a lead-in to a full-fledged graduate program in the coming years.

Vets2Tech is a successful program coming out of Lawrence Livermore Lab.

It supports and educates veterans on tech careers, matching university courses with industry internships.

Fremont is part of a consortium of companies and cities looking to expand the program to this region.

But building the pipeline for Advanced Industries starts well before college. We are further enhancing Fremont's stellar school system with new ways to engage K through 12 students and prepare them for STEAM careers.

FUSE Fellow,
Parker Thomas,
is half way through his one-year fellowship
with the City and Fremont Unified School District
to create an advanced manufacturing talent pipeline through increased Maker
Education opportunities.

Currently, we're developing different ways of building skills and connections between students and future local jobs.

Code 4 Fun,

a partner of 42 Silicon Valley, is one such program, bringing coding camps to schools and community centers throughout the city.

Down in Warm Springs, Fremont's Innovation District continues to thrive and is taking form.

Our newest BART station is celebrating its one-year anniversary.

It's also great to see additional projects by Lennar, Toll Brothers, Tesla, Valley Oak Partners, and Sobrato

that will bring over 8,000 potential new jobs, 4,000 residential units,

including affordable housing for low and very-low income families, and other public amenities, to Warm Springs.

## Also noteworthy,

we were excited to celebrate the groundbreaking of the Lila Bringhurst Elementary School, which emphasized the true community orientation of the Fremont Innovation District.

In addition, construction will begin on a 7.5 acre open space network of new City parks and plazas that will serve the recreation needs for the community and this new school.

The City is undertaking an important study to identify prospective "innovation cultivators" and related development parameters.

Silicon Valley thought leaders have endorsed such a forward thinking strategy.

To best utilize our property just west of the BART Station, construction will soon start on a bicycle and pedestrian bridge and plaza that sets the stage for innovation support activities.

Cutting edge work is also happening up in Ardenwood.

Our proactive zoning efforts in the Ardenwood District have yielded quick and meaningful results.

Biotech company Boehringer Ingelheim is expanding significantly

and new tenant activity has been brisk, with Tesla, Facebook, and Nueralink, all signing major lease agreements.

Supporting our manufacturing base continues to be a prime activity for Fremont, and we're delighted to have more regional support in pursuing this important work.

The Bay Area Urban Manufacturing Initiative is in its third year, and we are energized by the new practices, policy advocacy, and promotional opportunities that are all enhanced by collaborating as a super-region.

Growth of the Cleantech and Biotech Industry Clusters remains a priority for our Economic Development Team.

Fremont again hosted the Western Regional Finals for the Cleantech Open for its 5th time.

And new tenants continue to seek out our city for its special sauce in helping these unique companies scale.

Recent examples include Zen Labs, Sepi Solar and Avalon Battery.

This June, Fremont has been tapped by the Cleantech Open to host it's "National Academy West,"

a two-and-a-half day bootcamp for 80 startups across the Western United States, and as far East as Detroit.

Biotech remains Fremont's largest industry cluster. We've stepped up our partnerships to provide more value.

Our staff is supporting biotech networking events with these notable organizations.

New tenants such as Intuity Medical underscore this value-add environment along with high profile relocations and expansions from Steri-tek and Verseon.

We continue to find ways to enhance our entrepreneurship eco-system.

Startup Grind is now in its third year, and just moved to a new home at,

Peer Buds Innovation Lab on AutoMall Parkway.

If you want to learn more about "block chain", or "crypto-currency", be sure to stop by for a visit!

Thanks again to Electronics for Imaging, better known as EFI, for being our host throughout 2017.

Business growth in general can best be described as feverish.

Many prestigious new tenants have come to Fremont this year.

In addition to those already mentioned in Ardenwood, we also welcomed:
Ceranovus,
Kuka Robotics,
Papé Machinery
Marposs,
The Smiths Group,
and new retail like
the long-awaited Philz Coffee,
Rita's Ice Custard,
and the new Audi dealership.

In keeping with this kind of growth, we are pleased to see Overton Moore and Conor Commercial proceeding with "Pacific Commons South"

a significant new commercial development.

At 2.7 million square feet, there will be plenty of opportunities to house new manufacturing activity,

and it also ensures we will have space for expanding tenants as the need arises.

Speaking of expansions,
existing Fremont anchors
Tesla,
Molex,
and Owens Design
have also expanded their footprint and employee count.

And while we prize our long-time tenants, we recognize the importance of succession planning.

We've teamed up with the nonprofit organization "Project Equity" to promote the option of employee ownership,

which enhances middle wage job growth and community stability.

You can learn more about all of these efforts on the newly **re**designed ThinkSiliconValley.com website

which boldly presents the city's evolving business and innovation profile.

Fremont is harnessing its passion for technology more broadly with its Smart City Initiative.

Over the last year, we've embarked on a ground-up effort to identify current wins

and future goals related to use of new technologies to analyze data

and improve the design and operations of the city's core systems.

Look for innovative approaches, solutions, and pilots coming from your Fremont team,

which now includes our new Chief Technology Officer, Saul Melara, leading our IT Services Department.

In other news,

the Locale @ State Street project on Capitol Avenue is taking shape in downtown.

Construction is in full swing. The 157 new residential units

and 21,000 square feet of commercial space will become available with the first businesses projected to open in mid-2019,

from coffee shops and restaurants to some new mixed use concepts.

This will activate our main street and add vibrancy to our downtown.

We look forward to breaking ground on a new Community Center and plaza in summer 2019.

We are exploring alternative financing models that would help support the further development of the civic center project.

This spring, we'll activate the site at Town Fair Plaza with flexible programming.

Community members can weigh in on the programing and activities they'd like to see when it opens daily.

Public Space Authority will work to manage the site and continue to develop a uniquely Fremont set of programs and activities that are family-friendly, cultural, educational, and ADA accessible.

Speaking of accessibility, Fremont is making strides in providing quality healthcare.

Washington Hospital was recognized among the top 2 percent of hospitals

in the United States for clinical excellence.

And, the Morris Hyman Critical Care Pavilion should be ready for patient care in the fall.

In addition to all of this exciting commercial and public development we're looking forward to Memorial Day weekend in Downtown.

I hope you'll come to the Chamber's annual Burger and Brew Fest.

City Manager Diaz and I will be flipping burgers for a good charitable cause.

Another good cause, is make housing more accessible.

Demand keeps increasing for affordable housing in the city and region. Fremont is doing its part to meet the need.

In 2017,

nearly 500 new units of affordable housing were under construction, the largest number in any single year in the City's history.

This year, several hundred more are in the development pipeline.

Innovia, near the new Warm Springs BART station, is being developed by St. Anton Communities and is projected to be completed this summer.

And Fremont is proud that Habitat for Humanity's Central Commons affordable townhome project

was the first ownership project in the State to receive Cap and Trade funds.

We're also excited to participate in Habitat for Humanity's upcoming Women's Leadership Build.

Earlier this month we celebrated the groundbreaking at Stevenson Terrace near Lake Elizabeth.

Nearby, Mission Court Senior Apartments, will be wrapping up construction this fall.

Additional projects that are in the pre-development or permitting stages include

The Islander, where the plan is to significantly rehab the existing motel on Mowry into affordable housing and build additional units on two adjacent vacant parcels behind the motel.

This project is in the design phase, while City Center Apartments and Fairfield are in the works.

For all of Fremont, effective January first we initiated a Rent Review Ordinance to meet the needs of both renters and landlords.

A five-member Rent Review Board is now in place to shepherd fair and equitable resolutions for both parties.

And in more housing news, recent legislation will dramatically impact housing at the local level.

First, at the Federal level, changes in tax law will result in less overall funding for affordable housing.

At the State level in 2017, the legislature passed 15 bills aimed at addressing the housing crisis.

These bills limit the ability of cities to reject proposed housing projects

and set tighter timelines for reviewing applications.

The State has also created new funding sources for affordable housing to partially offset the federal cuts.

At the Regional level, Plan Bay Area 2040 is a major effort that will affect Fremont's assigned housing production targets.

So now let's talk traffic. We are not alone.

Traffic congestion is a regional issue.

The growing economy and the increase in commuting "through" our city

by people working in Santa Clara County and living east of the Sunol Grade,

has impacted the quality of life for local residents and businesses.

Navigation app usage has aggravated the situation

by directing commuters to neighborhood streets as a bypass to freeway congestion.

We're implementing measures to alleviate local traffic congestion and keep regional traffic on the freeway

with measures

like commute period turn restrictions and changes to signal timing.

Our efforts resulted in a 70% to 90% reduction in cut-through traffic volumes in residential neighborhoods

and included streets like Via San Dimas, Starr, and Canyon Heights.

Improvements for Interstate 680 and 880 through Fremont

include Express Lanes to ease regional traffic congestion.

Groundbreaking for the 680 project will take place April 19.

Many other projects are being planned to improve Fremont area mobility, over the next 5 years.

One of my favorite projects is the plan to upgrade the Mission Boulevard connector between 680 and 880.

Imagine driving non-stop on a new freeway travelling below Warm Springs Boulevard,

rather than being stopped in congestion at a red light.

Transit improvements are also in the works, including the BART extension to San Jose, Irvington BART, and enhanced Capitol Corridor services.

We are very excited to partner with AC Transit as they expand their on-demand FLEX bus service in Fremont, improve the Dumbarton Express Bus, and modernize existing bus routes to better serve our residents, businesses, and schools.

I'm also happy to report the condition of Fremont streets, sidewalks, and bridges continued to improve in 2017,

thanks to new transportation funding sources which included Measure BB.

Fremont greatly benefited from this measure and will continue do so with SB1.

In April, we'll be presenting a resolution to adopt \$3.8 million of additional SB1 projects for next fiscal year.

RM3 is being proposed for the ballot in June,

this measure can help fund these new projects, sooner rather than later.

Last year, we formed a Mobility Task Force.

14 Fremont community members
are working with us to explore transportation improvements.

The mobility planning effort includes an opportunity for everyone to contribute ideas,

kicking off next month with an online survey, community meetings, and events.

I hope you will get involved to help us find solutions to this regional issue,

and assist us with developing a new Plan.

City funding to support a more robust 50/50 partnership between residents and the City allowed us to replace old street trees,

and make sidewalk repairs at more than 100 locations near transit hubs and school walking routes.

We also completed the Northgate trail play area, which now has a new concrete walkway and improved landscaping and irrigation at the community park.

And the replacement of the Niles Boulevard bridge is complete.

Seismic upgrade funds were used from federal and state sources.

Last year,

Fremont continued to implement the Fremont Vision Zero 2020 plan,

seeking to significantly reduce the number of severe injuries and fatalities caused by traffic crashes.

Since the plan was adopted in 2016, major traffic crashes have dropped by 27%.

Even more traffic safety projects are planned for construction in 2018.

This includes

installing 40 new high visibility markers to get drivers to "yield for pedestrians" in crosswalks,

new pedestrian activated flashing beacons at 8 locations,

and new traffic signals at 4 locations.

A major partnership with the Fremont Unified School District is to develop a traffic safety plan for all 42 public schools in Fremont.

The plans have generated approximately 500 safety improvement recommendations designed to encourage students to walk or bike to their local school.

About 80% of the recommendations are low cost enhancements like improved crosswalks and stop signs,

which are targeted for completion over the next two years.

Continuing on the theme of public safety, last year,
Fremont experienced a 27% decrease in total burglaries compared to the prior year

which is an all-time low for the city.

Over the last 5 years, a focused effort by multiple units within our police department

has taken place to reduce residential burglaries in neighborhoods.

I am pleased to report that in 2017, there was a 32% decrease.

Since 2011, the overall decrease is 62%.

In addition to the reduction in residential burglaries, commercial burglaries have decreased by about 30% in 2017.

Like the rest of the Bay Area,

Fremont experienced an increase in auto burglaries in 2017,

furthering an upward crime trend that began in 2015.

The Police Department has been working in partnership with commercial centers and businesses to improve private video of their parking lots.

This has had a positive impact deterring criminal activity at these locations.

If your business is not already registered to participate, please do so today.

While Fremont remains one of the nation's safest cities, recent robberies have caused concern in our community.

In 2017, we saw less incidents than in years past, but these crimes are very disruptive to victims and our neighborhoods.

As a top priority for our Police Department, many resources have been allocated to these specific investigations.

Thanks to the use of cameras, citizens getting involved, and community partnerships, we've had break-throughs in solving cases.

In fact, Fremont Police Department announced a major break in an international, multi-million dollar auto burglary and fencing ring, which resulted in over 2,000 electronic devices recovered and returned to victims.

And I'm proud of our communications dispatchers. The Police Department handled over 300,000 calls into the dispatch center last year and documented over 18,000 police reports.

By the way, we're hiring if you know anyone cool, calm, and collected. During this past year, the Police Department rolled out 2 youth programs, Building Bridges and a Summer Youth Academy.

Both create positive, long-lasting relationships between the police and youth in our community.

Building Bridges is a one-year pilot program that connects with every sixth grader in the Fremont Unified School District.

Focusing on Internet and social media safety, staying home alone, and bullying prevention.

Our School Resource Officers partnered with the School District and our Youth and Family Services to create a five-day class for high school students.

We also engage the community and give back through a variety of programs.

And in the fall, the Police Department will once again host a community safety fair.

I also want to take a moment to thank Police Chief Richard Lucero for his 31 years of service to the City of Fremont.

He'll be retiring in July.

Chief, please stand for a round of applause. We appreciate everything you've done to make Fremont a safe city.

Last December we welcomed a new fire chief to Fremont.

Chief Curtis Jacobson, please stand and wave hello.

With 25 years of fire service under his belt, we know we're in good hands and look forward to his service to Fremont.

Fremont's newly created Office of Emergency Services has hit the ground running.
What a year 2017 was in terms of natural disasters.

Fremont first responders assisted with the devastating fires throughout California and hurricane responses across the country and Puerto Rico.

Our Office of Emergency Services has reached over 2,600 residents at local events to talk about safety education.

Look for additional outreach efforts over the next year, including CERT and PEP classes.

The Fire Department will also be partnering with the Chamber to elevate the level of business preparedness.

Stay in touch with us and the Chamber for ways your business can get involved.

Improving revenues allow us to better address priority needs for the City.

As the economy continues to expand, we're aware that revenue growth may slow, as the current business cycle matures.

Across the state, increasing pension costs continue to apply pressure to budgets.

Our Council has been proactive in systematically including additional pension contributions as part of each year's budget cycle.

We expect that consistently following this policy will assist us to stabilize our annual pension costs and provide future budgetary relief.

We're also continuing to pay down the City's unfunded liability for retiree healthcare benefits.

Since establishing a trust for this in July 2015, the City has contributed over \$11 million toward paying down the unfunded liability.

I encourage the community to get involved with our budget process.

In green news,

2017 was a banner year for the City's sustainability efforts.

We replaced more than 15,000 streetlights with energy saving LEDs,

and completed a host of other energy and water saving projects at City facilities.

In addition to substantial environmental benefits, these upgrades are anticipated to save the City \$13 million over the life of the new fixtures.

We also installed a new 350kW solar carport system at the City's Maintenance Center.

And working with local Fremont company, Gridscape Technologies,

a solar and battery microgrid funded by a state grant was installed at Fire Station 11 down in Baylands,

with additional systems operational at fire stations in Centerville and Grimmer later this year.

We look forward to working with Delta on these projects.

And based on recommendations from the Environmental Sustainability Commission,

we've adopted requirements for new residential development to provide solar energy and all new construction to install electric vehicle chargers.

We also launched the Fremont Green Challenge,

an online climate action engagement platform,

And developed a special High School Competition in partnership with environmental club,

FIERCE.

Students are competing for prizes and earning service learning hours.

We certainly value our partnership with Fremont Unified School District.

I was pleased to host a Town Hall last fall with the new superintendent, Dr. Kim Wallace.

We talked about ways the City and school district will continue to work together.

I look forward to hosting more town halls in the future.

We also recognize the need for smart development as new housing comes online in our city.

I'm proud that we are moving forward with transferring the City-owned Williamson site in Centerville to the School District to build a much needed elementary school,

while together, we build a new joint-use park on this 10 acre site.

The City and School District jointly supported this land transfer through Senate Bill 178.

Speaking of collaborations, I'm proud to announce Fremont's first Mayor's Challenge for 2018.

I challenge every business here today and throughout Fremont to adopt a Fremont school.

Out of the gate, that means 42 companies will step up and volunteer their time, provide mentoring opportunities, and offer internships and trainings for teachers.

Together, we can build a better, brighter future for Fremont, something we strive to do each and every day.

Last fall, the Fremont Family Resource Center, embarked upon a five-year strategic planning process.

One initiative underway is a project funded by the Y&H Soda Foundation and the Elise and Walter Haas Fund

surveying local businesses and employment sectors to support their needs for entry level workers interested in training for livable wage jobs.

I invite our Fremont businesses to get more involved.

Now to discuss a complex societal issue, not just for Fremont,

but for the entire State of California and our nation:

Homelessness

For the fifth year, when the weather is extremely cold or wet,

our Human Services Department has operated a Warming Center for homeless individuals and families at the Fremont Senior Center,

We're optimistic about receiving County funding for a new mobile hygiene unit

with two showers and a washer/dryer unit to be rotated throughout the city.

On April 17th, we're holding a Homelessness Study Session to continue this dialogue in our community.

We joined the World Health Organization's

global network

of Age-Friendly cities to better meet the needs of our aging residents.

With input from over 1,000 of Fremont's older adults,

we're building a community partnership to make Fremont a livable city for all ages.

I encourage you to sign up for our new age-friendly newsletter and get connected.

As I wrap up this year's State of the City Address,

I look forward to continued collaboration that values our City's spirit which is synonymous with Fremont.

Looking ahead to the new district elections, I encourage you to vote and join your fellow residents in shaping the City's future.

Unity is and will always be our strength; and you, everyone who lives, works and contributes to Fremont,

are our most important assets.

We are stronger together.

I'd like to end by sharing my appreciation for the staff here at the Marriott, Walter Garcia, Gretchen Burgess, and most importantly Cheryl Golden for her amazing patience and kind assistance in crafting the presentation I shared with you today.

Thank you.