

# STATE OF THE CITY – 2005

## Speech by Stockton Mayor Edward Chavez

### February 23, 2005

Good afternoon. It is my great honor to be mayor of this fine city, to welcome you to this State of the City event and to share some thoughts with you.

First of all, a sincere word of thanks to the sponsors who have made this possible, the greater Stockton Chamber of Commerce, particularly Doug Wilhoit and Renna Beinoris and, of course, the City staff who all work to make this event a huge success.

Thanks also go to the Port of Stockton Commissioners, Director Rick Aschieris, and the Port staff for again hosting the State of the City and to Outback Steakhouse, a great supporter and community partner.

On behalf of my colleagues on the Council, Vice Mayor Gary Giovanetti, Councilmembers Leslie Martin and Steve Bestolarides and newly elected Councilmembers Dan Chapman, Clem Lee and Rebecca Nabors, I am pleased to present the State of the City.

As was featured on the front page of the February issue of the Port-O-Call newspaper, this year's theme is "The Renaissance". The definition of "renaissance" directs us to the humanistic revival of the arts, architecture and literature from the 14<sup>th</sup> through the 16<sup>th</sup> centuries. That obviously does not apply to Stockton – a mere 156 years old. But the definition of a "rebirth or revival" certainly does.

Ladies and gentlemen – this city is definitely experiencing a rebirth! And – quite frankly – it would not be possible without those of you here with us today. Those who have joined with our previous Councils to look beyond the way things used to be and the way things used to be done, to what the city can and should be.

I ask that you continue with us to realize this city's potential and to seize the many opportunities throughout our community. Certainly, at times the journey in attaining those successes can be challenging and rife with nay-sayers. President Harry S. Truman said, "A pessimist is one who makes difficulties of his opportunities; and an optimist is one who makes opportunities of his difficulties".

This city has been blessed with recent Councils, who have been optimistic as well as realistic, in positioning us to the point where we are today.

I am very confident that the current Council will continue the same momentum. Just as we all have different personalities, so too the new Council will be different than the last. We have three members continuing their service, in addition to our four new members. During our recent goal setting session, the Council had an opportunity to interact and develop a strategy for the coming year. With some modification, the goals will continue to focus on improving quality of life by preventing and reducing crime; developing social, cultural and economic opportunities; continuing the strategy of economic development

throughout the city with ongoing revitalization of Downtown and the Waterfront; developing a “smart growth” strategy; and, exercising fiscal responsibility.

As we move forward in accomplishing these goals, I believe you will find this council to be one that listens and is open to differences of opinion. Process is extremely important to allow and encourage our residents input and a sense of participation and to know their viewpoints will be considered. Let me assure you – this Council will make decisions based on what it feels is in the best interest of the city, while respecting people and their views.

So – what exactly is the State of the City at this particular point? Much has occurred in Downtown Stockton, but there is also significant activity throughout the community. Our strategy is one that works on a number of projects and activities at any given time. To properly assess or evaluate the merits of what is being done, it should appropriately be seen from a global perspective. It is very easy and fashionable to attack one project or issue while not taking into account the total picture. As Disraeli said, “It is much easier to be critical than to be correct”.

The renaissance of Stockton, or Downtown Stockton, is not contained in a single project. It is a matrix of projects carefully planned to work with and complement one another. No single project can stand on its own, nor should it be evaluated for its contribution to the whole on its own. All projects must be considered in the aggregate. It is the balance and mix of those projects that make the whole successful.

Just listen to the activity that has, and is, occurring.

The Cineplex was a public/private investment that has been successful beyond our dreams, drawing 1.3 million people to downtown in the first year.

The Hotel Stockton and the Bob Hope Theatre are both examples of valuing and preserving our past – both were “must do” projects that are breathing life into once-abandoned buildings.

The Hotel Stockton is being renovated into high-quality, affordable housing, meeting yet another critical need. Over 20,000 square feet of ground floor retail space will add to its transformation. This will include a high quality restaurant from the Paragary Company.

The Bob Hope Theatre is another component of the matrix. The theatre needed restoration and upgrading to attract the type of family entertainment and night life that is critical to the success of the surrounding restaurants in the area. If we hope to encourage and attract private investment, we must invest in ourselves. Now we are beginning to see other local establishments, such as Sutter Street Café, Café Luna, and Torino’s, offering evening entertainment.

The contribution of the Bob Hope Theatre will be in the success of surrounding restaurants and other live entertainment venues. Their success will contribute to the sales tax revenue enjoyed by the city. So, while the Bob Hope as a stand-alone project may not be profitable, it adds to the profitability of the entire downtown and spurs further private investment.

A fair evaluation should consider the following:

- It takes time to build a following of promoters willing to bring acts to Stockton.

- Any production or performer worth having is generally booked out at least a year in advance.
- We opened our doors in October – just 4 months ago! Promoters are still learning we are part of the circuit. Once they come and have a positive experience, they will book more and more events, increasing the revenue potential.

Just as Downtown Stockton’s renaissance cannot be judged by one project, our revitalization efforts must not focus on one approach. All aspects of community life must be emphasized. Downtown’s renaissance must embrace a “live, work, play” philosophy if we are going to create a true 24 hour venue in downtown.

Examples of completed, ongoing, and future projects:

**Residential:**

- Hotel Stockton: 156 quality affordable units in downtown
- Vintage plaza: ACLC’s 16-unit affordable in-fill housing project in the Gleason Park area
- Gleason Park Apartments: Mercy Housing’s 95-unit affordable multi-family project in the Gleason Park area
- Fremont Park housing: affordable in-fill housing project near Fremont Park
- Henery Apartments: RFP for rehabilitation of 30 plus units in downtown
- Market-rate housing:
  - 36 condominium units in the Sheraton Hotel
  - National residential builder is in pre-development stage on 40 acres in the downtown area for single family units
  - Bay area builder is evaluating downtown in-fill sites for ownership units

**Work:**

- Stewart-Eberhardt Building
- San Joaquin County WorkNet office: 52,000 sq. Ft.
- COG office building: 30,000 sq. Ft.
- Guaranty Bank regional headquarters
- Bank of Agriculture and Commerce expansion
- “The Record” expansion
- SJRTD Transit Center
- Robert J. Cabral train station
- City is in negotiation with a national corporation for a 250,000 square foot Downtown office project that would employ 1,000 people

**Entertainment and dining:**

- Bob Hope Theatre:
  - 100 potential events per year. Who would have envisioned Jerry Seinfeld, Bill Cosby, George Lopez, David Copperfield, Grease, and other acts in Downtown Stockton?
- Expanding the types of music/entertainment choices to address the preferences of various age groups
- City Centre Cinema
  - 18,000 square feet of retail including Moo Moo’s, Starbuck’s, Cold Stone Creamery, H&R block, and more to come
- Stockton Events Center

- Indoor Arena: 125 potential events per year, including ice hockey, indoor soccer (California Cougars), arena football, concerts, business conferences, trade shows, and family events
- Stockton Ports Baseball stadium with 68 regular-season home games in 2005
- 60,000 sq. ft. of retail and restaurants
- Weber Point Events Center
- Asparagus Festival
- First Night
- 4<sup>th</sup> of July Waterfest
- The Lighted Boat Parade
- Ice on the Delta
- Downtown Farmer's Market
- Dean Decarli Waterfront Square
- Paragary's Restaurant Group has signed a letter of intent for space in the Hotel Stockton
- A number of other well-known restaurants are looking at downtown locations

### **Other quality of life projects**

- The Gary and Janice Podesto Impact Teen Center
- Edna Gleason Park reconstruction
- A. G. Spanos Elementary School (grades k-5) in Gleason Park neighborhood
- Weber Avenue streetscape improvements

Stockton has been experiencing a tremendous building boom over the last few years. We have been setting records annually on the number of new home building permits we issue each year. This record development has had several spin-off benefits:

- We have attracted several major building materials manufacturers and distributors into town, creating nearly 1,000 new family wage jobs, generating over \$1 million per year in new sales tax revenue to the city.
- Plus, the new influx of residents from the bay area has helped create a much stronger economic demographic in Stockton, attracting several major retail developers. These developers have created about 1 million square feet of new retail development just in the last 18 months, with another 2 million square feet in the planning process. This boils down to approximately \$9 million in additional sales taxes to the city when this planned retail is all built out, plus thousands of new jobs in the retail sector. A good many of these are and will be reflected in the power center at I-5 and Eight Mile Road and other proposed center locations.

Other areas of Stockton are also beginning to get their share of development. The city recently completed the beautification project of Charter Way – soon to become Martin Luther King Blvd. We also have an action team called the Airport Corridor Team, or ACT, that has sponsored several job fairs at the County Fairgrounds. In addition, we recently amended our Façade Grant Program to include portions of Charter Way and Airport Way.

Private development is also on board in South Stockton. Rancho San Miguel opened on Cinco de Mayo last year and is doing very well. The developer of that project is currently talking with the city about additional development opportunities in the area. Another developer has committed to develop the old driving range property at Eighth

Street and I-5 for a grocery store, and another retailer is looking for opportunities in South Stockton. Another project in the works involves a sports company that is planning to transform the former landfill at Downing and I-5 into a major softball tournament location with an on-site retail component. Finally, another significant retail developer is in the process of rezoning 65 acres at French Camp Rd and I-5 to retail that will bring an additional 600,000 sq ft. of retail to South Stockton.

Who would have imagined eight years ago – or even four years ago – that we could proudly look to what has happened.

Our efforts have not gone unnoticed by those in other parts of the country. We again were honored with the “All America City” designation (for the second time) based on programs and collaborations with the Downtown Stockton Alliance, Peacekeepers, and Community Partnership for Families.

The Downtown Stockton alliance has been a tremendous partner in reviving interest in Downtown Stockton by attracting more businesses, maintaining the area, and hosting events.

Peacekeepers Program has made an effort to target youth and redirect them away from gangs and criminal involvement.

Community Partnership for Families utilizes a collaboration of City/County/Community based organizations to address family issues and insure children start school ready to learn.

While much has been accomplished the past four years, there is even more that can and should be done. We cannot be satisfied by resting on the laurels of past hard work. As Gandhi taught us, there are two kinds of people – those who do the work and those who take the credit. Try to be in the first group. There is less competition there.

We have an action oriented City Manager, Mark Lewis, who encourages, promotes and pushes the various departments in addressing the council goals – and in his words, “We have 100 horses running at any given time”.

We will be faced with making long term decisions regarding growth and development as the General Plan update starts to wind its way through the Planning Commission and then to Council later this year. In all aspects, this should be deliberated carefully and thoughtfully so that the “best Stockton” will be our future. While not all may be in agreement on where we end, we will strive to incorporate input, ideas and recommendations that ensure the critical components of infrastructure and service needs are addressed.

Over the months of my transition and since taking office, I have found a variety of concerns raised regarding the Permit Center and the permitting process affecting large scale businesses as well as small projects. I have asked the City Manager to re-institute a task force similar to that which reviewed the same operation several years ago. I would expect the Greater Stockton Chamber and other Chambers of Commerce to be involved in determining what, if anything, may be done to support the Council’s position on economic development, being business-friendly and providing the highest level of customer service.

Last year, in his State of the City address, Mayor Podesto developed a crime initiative with the Chief and City Manager that established Reporting District assignments and Neighborhood Team policing, expanded juvenile crime investigations, and enhanced the City's website relating to Megan's Law registered sex offenders. I am pleased to report that most of these action items have been implemented and the rest are near completion.

I am also very gratified that Measure W – the safe neighborhood initiative – was approved in November with an almost 73% approval. This sent a clear message that public safety – Police and Fire – is important. It is important from an economic development standpoint and from a quality of life perspective. While the crime rate declined 3% last year, with rape down over 30%, larceny and burglary down 6%, and felony arrests up almost 14%, we still had an increase in auto theft and aggravated assaults. Having a retired Chief as Mayor is probably not the best scenario for a Chief. I am committed to working with the City Manager and Chief Herder to generate even more reductions in criminal activity. I will also ask the Manager to have the Police Department review its strategies on graffiti to ensure everything possible is being done to eradicate this blight issue. And again, the Council goal is to have safe, livable neighborhoods throughout our city that provide a sustainable quality of life for our residents.

The city's commitment to safety downtown is reflected in the deployment of security cameras at strategic locations with additional units to be installed.

The Council at its goal setting session directed the City Manager to initiate an action team to address the crime and blight issues in the Bianchi, Kentfield and Townhome areas.

Whenever one travels throughout the city, a common concern is that of traffic and motorist behavior. Programs to address traffic flows through certain neighborhoods are being implemented. Additionally, we have eight red-light cameras in place with more to be installed. This strategy has already reduced the number of traffic accidents at specific locations. Traffic Motor Officers now work seven days a week due to the addition of five more Police Officers to the Traffic Section. Even more importantly, Measure W will allow us to hire 40 more Police Officers and 40 more Firefighters/Paramedics over the next three years.

Of particular importance, in reviewing all this activity, is that the city has a structurally balanced budget, and this despite the funds taken by the State and reduced funding at the Federal level. This speaks well to a local fiscal picture that appears to be improving even more.

Recently, I spoke before the Business Council and was asked what I felt to be the issue most important for the future of Stockton. I will briefly summarize a litany of opportunities we will be addressing in getting to my answer. Those include, and may be repetitive: crime and safety issues; economic development; creating a mix of housing choices to allow first-time buyers the opportunity to purchase a home; exercising sound and prudent fiscal responsibility on current and future projects; continued revitalization of our Downtown and neighborhoods; enhancing our relations and collaborative efforts with other jurisdictions and agencies on issues involving planning, water, growth, traffic and transportation; creating a housing/job balance; ensuring we maintain an

environment that respects and supports the ethnic culture, gender and religious diversity in our community.

Important as they are, the opportunities and challenges dealing with our youth, their education and the future of this community are critical. We all should be concerned with the drop-out rates, particularly among certain communities, and the ability of our young people to be educated, stay in Stockton and obtain jobs that sustain families. I also say that from a somewhat selfish perspective. As our generation gets older, I want to make sure I am in good hands. Many of the other issues will be moot if we do not collectively work with our school districts to keep our kids in schools and away from gangs and drugs. We want to be sure our youth receive an education and become productive citizens.

It is important to note that there are several collaborations in place now. The work of San Joaquin A+ identifies programs that target education, tutoring and mentoring efforts and connects funding opportunities to those efforts. The After School Tutoring Programs funded by the city joins with numerous providers. The Chamber of Commerce Business Education Alliance is a public/private partnership. The Chamber's Business Partners and Academic Institutions in San Joaquin County come together to identify workforce and education needs now and in the future. The various school districts should also be commended for their untiring efforts.

Unfortunately, so much of what is needed is dependent on funding from the State and Federal governments – not exactly secure, dependable sources. In spite of that, we must meet this challenge. Personally, it took me a while to realize the importance of education when I was growing up. It has come to be somewhat of a passion – how can we maximize our collective energies, talents and resources to insure kids can succeed in school, whether that means going to college, into the vocational trades, or having the knowledge to obtain decent employment. I will also look to the Youth Advisory Commission to provide input and suggestions since the members have demonstrated leadership at their respective schools and no doubt will have meaningful insight on the issue. I stand ready to work with any institution, agency or interested parties to secure our future. Gandhi aptly stated, “We must become the change we want to see in the world”.

On another note, as we drive the freeways and highways around our city, the trash and debris certainly sheds a negative light on our community. At varying times the on and off ramps are horrendous. It is not realistic to expect Cal-Trans to have the resources, personnel, or the will to maintain these areas in a city so richly deserving to be an “all America City”. I would suggest that as a city, we take ownership and responsibility for this issue. I propose and challenge all the service clubs, community-based organizations, willing residents, and even schools, to take this on. I have spoken with Cal-Trans and they can have markers, recognizing the appropriate groups, installed to designate the various areas. It would certainly go a long way toward addressing unsightly areas and developing pride in this city. Keep in mind – we are what we look like.

I hope you leave here knowing Stockton is a community on the move, experiencing positive changes, with more to come. As we work on the revitalization efforts in positioning Stockton to be a great city, we must look toward enhancing those factors that make a community complete – music, culture and the arts. This wonderful community will be even better as more opportunities are made available for our

residents to take advantage of and enjoy our libraries, symphony, theatre, museums, and art galleries. I am encouraged by those ethnic communities that are looking to develop cultural centers and look forward to working with them.

There is much to do. I believe you have a Council willing to work together to get the job done. We will not please everyone all the time, but please know we are committed to being good stewards.

I leave you with words of wisdom from Oscar Wilde, "Some cause happiness wherever they go; others – whenever they go."

Thank you all for being part of the State of the City and we look forward to an exciting year.