

Mayor Ann Johnston
Stockton, California
State of the City
May 13, 2010

On behalf of the City of Stockton, I'd like to say thank you to the Greater Stockton Chamber of Commerce and the Port of Stockton for making this 12th Annual State of the City event possible. We are grateful for your generosity in underwriting this outstanding community event.

Now I'd like to introduce my colleagues on the Stockton City Council. These are the brave and dedicated citizens who serve you so well through these "times that try men's souls": (Introduce Council) Thank you Council Members for your hard work and dedication to public service.

We come together today to look to the future of our city and acknowledge that each of us has a part to play in the prosperity that will return to this All-America City. I have titled this State of the City message "Getting to the "A" List". We all know about the lists that seem to plague our city, but the most important list in my mind is not one that ranks us in unemployment or foreclosures or literacy.

My "A" list is the ATTITUDE list. For without the right attitude we will always struggle. We must believe in the strength of our people, our businesses and our institutions or we will fail to reach our potential. We choose to live and work in this city and we should be the first to stand up and be counted when a challenge presents itself. We must be our city's promoters, our city's cheerleaders, our city's first defenders when outsiders place us on some questionable list. If we don't defend the city we call home, who will?

This week we celebrate the success of our baseball hometown hero, Dallas Braden, who hands down is one of Stockton's biggest fans...and lets the whole world know he's proud of Stockton and the folks who live and work here. Dallas shows us the power of not only words, but actions, as he gives back to the community in countless ways. Dallas knows that citizenship is not a spectator sport; no one gets a pass when it comes to giving back to the city that you call home. Whether you are a fifth generation Stocktonian or a newcomer getting to know our community, your presence here requires a commitment of your time, your talents, and your ingenuity. And a positive attitude! We're so proud of Dallas and his accomplishments and the positive role model he provides for young and old alike! Dallas has the right attitude and definitely puts Stockton at the top of the "A" list. We will be honoring him soon in a citywide event that shows how proud we are of him and his accomplishments.

This past year has been full of challenges for all of us both in the public and private sectors. The City of Stockton was able to plug a \$32 million budget deficit last June through early retirements, voluntary separations, and employee concessions. In the process we lost over 300 employees from park workers to police officers. This year and the next few years promise to be equally challenging in an economy where very few industries are prospering and where our city revenues are at historic lows. But... we will come through this very difficult economic time stronger and more efficient in providing basic city services. We will survive!

Despite our economic downturn, there have been some very positive events in our city that we must recognize as harbingers of great things to come. Our Downtown Marina and Joan Darrah Promenade were opened to the public in September after 12 years of planning. Our Asparagus Festival last month drew yacht clubs and boaters from

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throughout the area, and many weekends this year are already booked with boaters anxious to experience the newest marina in the heart of Stockton. All this translates into dollars spent at our ballpark, our arena, and our area businesses. Our Marina is an investment in our future---one that will pay off as we aggressively market and promote its location and amenities.

Last September we broke ground on the Delta Water Supply Project north of 8 Mile Road that will guarantee a reliable source of fresh water for our future growth, improve our depleted underground aquifer, and establish precious Delta water rights. Those enormous pipes that today line 8 Mile Road will bring water from the San Joaquin River, 11 miles out in the Delta, to a new water treatment plant on Davis Road. That \$200 million project is the single largest public works project in Stockton's history and provides badly needed local jobs. It was the first project that was subject to the city's newly crafted Local Hire Ordinance which requires any city contract over \$100,000 to hire at least 50 percent of its workforce from Stockton zip codes. In addition, local businesses are getting the sub-contracts for products and services on this huge project. Drive out to 8 Mile Road and see your utility tax dollars being spent right here, right now.

Stockton has received almost \$16 million in federal stimulus dollars that are helping to pave streets, provide emergency housing, fund gang outreach workers, and save police officer positions. We're hopeful of future cash infusions from the federal government to plug the holes in our city services.

Stockton has also led the nation in implementing a model Neighborhood Stabilization Plan which has invested over \$12 million in buying and renovating foreclosed homes for qualified buyers. Recent meetings with HUD leaders in Washington DC reveal how far ahead of other cities we are in putting these dollars to work in solving our housing crisis. City staff works with local non-profits and local contractors to restore neighborhoods blighted by the foreclosure crisis.

And it is our partnership with the Chamber of Commerce and the County of San Joaquin that resulted in tough negotiations with the California Dept of Corrections to try to mitigate any negative effects of the new prison medical facilities soon to be located in our area. Our issues are ensuring local hire and local procurement at the facilities, adequate roads and hospital facilities, and the direction of local sales tax receipts to our county. Today we are in the final stages of agreement with the CDRC and hope to have a signed settlement very soon. It is just the beginning of many such partnerships that demonstrate we are better off when we join forces and work for the common good. We also look forward to a much needed Veterans Medical Facility to be located in our area to serve veterans from San Joaquin and surrounding counties.

It will be our "attitude" that determines how the community will benefit from these new medical facilities that will be built over the next few years and provide thousands of badly needed jobs in our area. We must work together to expand medical training facilities and programs that will prepare our citizens to be first in line when these high-paying jobs come to our community. With a "can do" attitude we will develop the educational pipeline that will train lab technicians, psych techs, and nurses to staff the 3000 jobs that will help fuel a new vibrant cluster industry that will put Stockton on the map with statewide appeal. We look forward to working with the University of the Pacific, Delta

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College, SJ County Office of Education, our local school districts and private training companies to ramp up the specialized training needed to staff these medical facilities.

I'm happy to announce that the City of Stockton's Economic Development Department has definitely developed the right attitude with innovative ideas following the City Council's direction that economic development is Job One. You will soon see a long awaited city Micro-Loan program established to help local small businesses access loans that traditional lenders won't fund in this time of tight bank credit. In addition, city staff is marketing the many advantages of locating in Stockton through an innovative "Passport to Profitability" program. Just check out the passport on your tables for a list of all the advantages Stockton has to offer from our Enterprise Zone to our loan programs. How could you not want to do business in our city?

We know that economic development is about jobs, jobs, jobs. Our focus must be on job creation and retention. This year you will see more public works projects break ground because of federal and state Proposition 1B funding that has jump started projects such as the construction of two railroad overpasses on Eight Mile Road and one underpass on Lower Sacramento Road. These \$27 million public works projects are scheduled to break ground this Fall and pump more money and jobs into our local economy.

Tourism and entertainment are going to take center stage this year as we look to develop the strategies to make Stockton a destination for sports, recreation, and entertainment. All the elements are here---all it takes is the right attitude and the right marketing strategy. We will be working in collaboration with our many local tourism entities to create an umbrella organization whose goal will be to fill our hotel rooms, our restaurants, our public facilities with visitors and residents alike who will spend money and fuel our local economy. Remember, I believe that our downtown and waterfront are meant to be Stockton's version of San Antonio's River Walk! We're getting there---the pieces are slowly being put into place and despite the economy, we must be true to the vision of a thriving, exciting, vibrant downtown and waterfront in the heart of Stockton.

Economic development and job creation depend not only on business incentives, but on an educated workforce. Last year we lost a major distribution center with 500 good paying jobs to Arizona because the company felt we had a "rough workforce". They cited our crime statistics and graduation rates as the deciding factors in locating elsewhere. To be a first class city, we must have a first class school system and make the education of our children a community priority. This is our city's biggest challenge to our future economic growth because without a well educated workforce we will continue to battle poverty, unemployment and crime.

Last October over 200 community leaders met at Stockton's Promise Summit to map out a plan for addressing the high school dropout problem and how to marshal community resources to help our students finish high school. Today a group of dedicated community leaders are working on an initiative that will focus on four major elements: early childhood literacy, parenting, tutoring, and mentoring. We have just begun with the Mayor's Book Club, an effort to prepare four year olds for school success. Soon you will see the roll out of a "Mentoring is Cool" campaign targeting grade school and high school students. And our Adopt-a-School program fits right into this package of

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education related actions. Our partnership includes educators, business owners, and government officials who are working together for the sake of our children and our future. They are in this for the long haul, recognizing that the best economic stimulus package is a high school diploma.

Last year I asked the community to step up and help fill the gaps in our city services, provide funding for programs where possible, and volunteers for city hall, parks, libraries, and schools. I'm happy to report the community has responded in so many ways that show the imagination, innovation, and public spirit of our citizens. Our VISTAS (Volunteers in Service to Aid Stockton) program has brought volunteers to City Hall and inspired the adoption of eight neighborhood parks by community groups. Our local churches have heard the call for volunteers and organized Saturdays of community service where thousands of volunteers have cleaned up blighted areas, parks, and other public facilities. Council Member Diana Lowery chairs this critical volunteer effort and has worked tirelessly to forge the partnerships that exist today. The most recent effort teams up the SJC Office of Education's One Business Leadership Academy, Atlas Imaging, and the City of Stockton to provide interns for city departments needing imaging services. And that's just for starters.

Community members have heard the call to become involved in solving problems and we have some amazing examples of civic leadership. A dedicated group of Silver Lake campers stepped forward and took over the operation of Stockton's historic high Sierra summer camp when it was on the budget chopping block. These Stocktonians were just the shot in the arm Silver Lake camp needed and are a shining example of the heart and soul of our city and why we will overcome whatever the economy...or Forbes Magazine.... throws at us. Why a "can-do" attitude is so important to success.

One neighborhood leader convinced over 100 homeowners in his neighborhood to all get their trees trimmed at the same time and he negotiated a discounted price that benefited his neighbors and helped the city with a huge tree trimming backlog.

We had a very generous businessman help purchase a special fire engine to meet our city's need for specialized rescue operations. And today that fire engine carries his business logo---the only fire engine in the nation to have advertising showing a proud partnership between public and private resources. That's what I call "thinking out of the box" and having an "A" list attitude.

Finally, I ask you again to continue to support our efforts to improve our economy and our schools. Remember---every dollar you spend at a local business saves local jobs, keeps those business doors open, and funds city services you depend upon. And every good thing you say about our city, and every good deed you do in our city, gets us closer to the "A" list. It is truly up to each of us to do our part to promote what we love about our city---just as a parent defends his child, so too should we stand up and be counted when our city is under assault. Join your friends and neighbors in making a difference in your block, your neighborhood, your city. Join me and Dallas Braden in getting Stockton to the top of the "A" list.

Thank you.