

SPEECH: [2013 STATE OF THE CITY ADDRESS](#)
SPEAKER: MAYOR VINCENT YU
TITLE: TEMPLE CITY: ON THE THRESHOLD OF SUCCESS
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Good evening fellow residents, friends and honored guests. I am Vince Yu, the Mayor of Temple City.

On behalf of the City Council and City staff, tonight I have the distinct honor to deliver the State of the City address.

First, I'd like to acknowledge my exceptional colleagues on the Council: Mayor Pro Tem Cynthia Sternquist, who has been very helpful in planning this State of the City Address; Councilmember Carl Blum; Councilmember Tom Chavez; and Councilmember Fernando Vizcarra. It is so nice to work with a group of like-minded professionals who complement each other as well as share a similar vision and passion to serve the city.

I also want to recognize our City Manager, Jose Pulido, who has helped us to make a difference in the past three years.

OVERVIEW

Temple City is on the threshold of seeing some very exciting projects — things that we planned in the last few years are beginning to take shape. While the process of completing these projects and implementing new programs will require even more time, we're reminded of the famous phrase: "Rome wasn't built in a day."

To create a truly successful city, it requires a great deal of time and effort. However, I know that our small town is on its way to becoming one of the finest places in Southern California—and all of America, for that matter— in which to live. More importantly, it will be a city built-to-last.

The progress towards building a robust community has focused on five major initiatives: a sustainable infrastructure; smart economic development; sound fiscal policies; effective communication and outreach; and visionary long-range planning.

INFRASTRUCTURE

The City's efforts towards renewing infrastructure and furthering economic growth are designed to sustain our progress over the next 50 years. The strategic decisions we make now will enhance the quality of life for our children, and for generations to come.

Developing a sustainable city begins with its physical infrastructures, but the process involves much more than just roads, utilities and buildings. It requires a support system where the City's projects, policies and programs are embraced by its residents.

One of the City's biggest investments and commitments towards a sustainable infrastructure is the reinvention of Rosemead Boulevard. Construction is currently underway, and its innovative plans and community-focused amenities will help to define Temple City as a high-performing city.

While the 16-month construction process may present challenges to our daily commutes, the project's phasing schedule has been designed to minimize the traffic impacts experienced with other major street projects. It may still be a minor hassle at times, but believe me—the results will be worth it.

City Hall has implemented several communication resources to ensure you receive the most up-to-date information during construction. These include a new multilingual radio station AM 1690, a designated hotline and project website (www.rosemeadblvd.com), and a notification system that uses emails and text messages.

The groundbreaking project will give community members an opportunity to ride in new protected bike lanes or drive on rubberized asphalt, a sustainable material made from recycled tires. Traveling through Rosemead Boulevard will be safer and more accessible than ever with pedestrian lighting, seating nodes, new landscaping and creative public art.

We have strategically leveraged \$1 million in City funds for this \$20.7 million project. As an economic development project that contributes to our quality of life, the value of Rosemead Boulevard will pay dividends over the next 50 years. It will accommodate the community's growing population, while presenting a sophisticated image that invites passersby to stop in Temple City to shop and dine.

Moving forward, the City will see safety enhancements that extend far beyond Rosemead Boulevard. Of the nearly \$1.8 million received in grant awards this year, \$922,000 will be used for new bike lanes, while \$432,000 will be spent on pedestrian safety improvements near schools—including sidewalks, crosswalks and signage—by late 2014. We also received \$384,000 in federal funds to install 64 new ADA ramps, which will be completed this month.

Our grant-writing team is very busy and resourceful, and the grant awards it has secured make our dollars stretch on projects all over town.

Pursuing funding sources for sustainable infrastructure provides new safety elements and meets the needs of a multimodal community that uses alternate methods of transportation including cars, buses, bikes, wheelchairs and walking. Despite our small size, Temple City is becoming a regional and national leader in developing "Complete Streets" for everyone.

Art and architecture are hallmarks of successful cities because these are luxuries that can only be afforded by cities that have their financial houses in order.

Today, Temple City is also fortunate to have the opportunity to express ourselves through public art. Building off residents' creativity, our new public art program will help us celebrate the community's rich history and cultural diversity.

This year, we established the first-ever Public Arts Commission that will help chart the City's direction in public art for the next few years by developing an annual arts program with specific goals and objectives. The Commission will review and approve new public art installations for Rosemead Boulevard as early as 2014, followed by Las Tunas Drive in 2016. This will give residents and visitors alike a new appreciation for Temple City's reinvented public spaces.

ECONOMIC DEVELOPMENT

Most California cities continue to experience decreases in revenue, but Temple City is only one of a few California cities not in the red. It is a remarkable achievement that our small town continues to balance its budget, outperforming over 400 cities statewide. While Temple City's General Fund Reserve is steady at \$24 million, it is important for Temple City to look at economic development projects that will further extend that economic growth.

One project that you've no doubt heard of is the Gateway Project. This site has a long history and lots of baggage. But the current project should not be confused with the original proposed development. It is not an eight-year project, as it legally became an exciting new development in mid-2010, less than three years ago. And now, it's already happening.

Completion of the first phase—utilities and the underground garage—is underway. In 2014, construction on the building will occur.

Despite the amount of time it has taken to get the Gateway underway, the property's new blueprint is sound. The City Council wants the project to attract major national retailers that offer broad appeal to all consumers.

Not only will the Gateway be a regional magnet for shoppers, it will become a place where people of all backgrounds can enjoy new shopping and dining opportunities. This project has the potential to bridge the community's diverse cultures, especially with its prime location at Rosemead Boulevard and Las Tunas Drive.

In mentioning Las Tunas, many of you provided feedback on redesigning our downtown during community workshops. I thank you for that engagement. The City Council and staff are convinced that the best projects are those shaped by public input.

There will be more visible crosswalk markings; shortened street crossing distances with corner "bulb-outs"; streetscape enhancements with new trees, paving and furnishings; safe bike lanes; and unique public art.

One of the biggest changes will be converting Las Tunas into a single-lane thoroughfare, both eastbound and westbound from Cloverly to Golden West. The traffic signals will be optimized to allow the same volume of traffic flow. Back-in angled parking will also be introduced along Las Tunas near Temple City Boulevard. The redesign will benefit businesses and make the area more pedestrian and bike-friendly.

Before the project starts, City staff is aggressively applying for grants. Up to \$6.5 million in funding may be available, and if we're successful in securing some of that funding, construction might begin as early as 2015.

Despite the dissolution of the City's redevelopment agency along with all redevelopment agencies in California last year—the City's commitment to an ambitious economic development strategy continues. We adopted an Economic Development Ordinance, with an associated \$8 million economic development fund, to finance projects that will benefit the city, boost revenues and create a high return on investment.

The Economic Development Ordinance has allowed the City to invest \$2 million in the Rosemead Boulevard Project, as well as acquiring the former mortuary site on Temple City Boulevard. The City is in the process of negotiating the property purchase, which if successful, would provide for much needed downtown public parking.

By April, the City will complete its Economic Development Strategy, preparing guidelines on how funds will be invested, focusing on high-yield, high-return projects. It is important to note that the Governor and State Legislature are unlikely to reinstate the state's redevelopment agencies. That means we're on our own. And that's okay. The Economic Development Ordinance adopted by the City Council a year ago created a viable and strategic option available to us. Unlike most cities that are financially strapped, Temple City still has resources to pursue its economic development goals, putting us in a competitive position to create more profitable opportunities for Temple City's future.

In looking at future financial opportunities, it's worth noting Temple City's economic market position in the San Gabriel Valley and greater Los Angeles area. The city's development opportunities are limited by its lack of freeway exposure, relatively older buildings, and challenging land use patterns. Before our incorporation, neighboring cities annexed some of our prime commercial corners—putting us at an immediate disadvantage—and today, only 10% of our land is designated for commercial uses.

That is not to say we don't have the potential to prosper as a city. Rather, it is critical for us to take stock of what potentials we have and plan accordingly to meet market shifts. That's why it is important for Temple City to have an Economic Development Strategy. To be successful in post-redevelopment agency California, we must be both strategic and creative.

The Economic Development Strategy will consider a much-needed design standard, revamped façade improvement program, refined signage requirements and continued code enforcement efforts. The redesigns of Rosemead Boulevard and Las Tunas Drive will be the catalysts that put those improvements in motion to stimulate private sector investment.

Currently, City staff is working closely with property owners to recruit new businesses. Among the establishments they have attracted or are close to securing are Guppy House, 85 Degrees and Habit Burger Grill, with the latter two coming soon to Temple City Marketplace.

In the next few years, the City will focus on how to overcome the development challenges at Temple City Plaza. This property consists of separate, individually-owned parcels with restrictive development covenants. The City will take the lead in fostering collaboration from property owners to implement transformative changes to the shopping center.

City staff will continue to find creative ways, including revamped film permit regulations, to attract new consumers to make Temple City an attractive regional destination. We are working on a master plan of the civic center and exploring public-private partnership possibilities to stimulate economic development on the east side of downtown.

When it comes to economic development, we have the luxury of sound financing that most cities do not. We've made a lot of progress, but there is much more to accomplish.

FISCAL POLICY

Critical to positioning the city for future economic growth is the City Council's approach to the General Fund Reserve. We have a responsibility to make strategic investments to stimulate economic development, instead of simply putting money away in government savings accounts that earn very low interest. For example, we're attending to street repavings, new traffic signs and other capital improvements since the cost of deferring those improvements, with maintenance costs escalating year after year, can be more expensive in the long run.

The City Council permitted the investment of funds into safe government investment portfolios that yield higher return rates, as opposed to more conventional practices. The shift in the City's investment policy has helped the City to diversify its \$35 million portfolio to capture higher yields without jeopardizing safety. While interest rates may be currently low, they're expected to rise, ultimately optimizing yields on idle funds.

We're aware that the community is proud of the City's healthy General Fund Reserve, especially at a time when neighboring cities are barely getting by and taking monies from meager General Fund reserves to salvage marginal services.

To ensure that Temple City remains financially secure, the Council established a Budget Reserve Fund Balance Ordinance earlier last year. It governs how Budget Reserve funds can be spent, and how much money should be transferred annually from the General Fund to replenish its Reserve Fund. Not only is having a reserve policy considered as a best and responsible practice, it will sustain Temple City through good times and bad—like an unforeseen crisis.

With the developed policy, the City can also continue to guarantee everyday services. The current reserve policy allows the Council to use those Budget Reserve funds only for specific uses like emergency operations and economic uncertainty, requiring the Council to maintain at least \$3.5 million in the Budget Reserve Fund balance.

Continuing a healthy reserve is partially a result of Temple City's status as a contract city. Since most of the City's services are outsourced, it allows for cost effectiveness and greater accountability. It allows the City to provide services to the community without having to incur costly capital investments in buildings and equipment. It also keeps employee benefits and retirement costs at a minimum.

The nature of contracting allows for flexibility. In the event of economic hardships, the City can negotiate contract adjustments instead of having to layoff employees or reorganize city operations. Furthermore, because we keep our staffing levels at a minimum, this arrangement reduces bureaucracy, making our workers more accessible to ensure better services.

Last year, the Los Angeles County Grand Jury, examining financial issues of financially distressed municipalities, noted that Temple City was one of only two contract cities—out of a total of 25 in the County—that was operating in the black. The staggering cost of maintaining in-house public safety departments, which Temple City wisely contracts out, was cited as an overwhelming financial burden for many municipalities.

While the City is financially secure, we still face the challenge of rising pension costs like other local government entities. Although Temple City is a contract city that isn't required to pay high public safety pension costs, this is still an issue that we will need to confront. Last year we conducted two actuarial studies of the cost of post employment benefits.

Approximately 3% of our annual budget goes into employee pension and medical retiree benefits. We are making decisions today to keep Temple City viable in the next 50 years. We are committed to maintaining a high level of service for you—our residents and businesses. The City Council will continue to look at a work plan to reduce future pension costs and seek ways to reduce retiree health benefits after a certain cutoff date.

To make our finances more accountable and transparent, the City prepared its first Comprehensive Annual Financial Report this year. Commonly known as a CAFR (pronounced “kaffer”), it contains the City’s financial statements and other supporting data to provide the public with a complete and full disclosure of the City’s financial activities. This shift in financial reporting reflects the City’s continual transition to a high-performance organization.

The CAFR has also been reviewed by an independent audit firm and has received a clean or “unqualified” opinion, meaning that our finances are sound and our reporting accurate.

Because of these high marks in both transparency and full disclosure, the City may have a chance this year to win an Award of Excellence in Financial Reporting from the national Government Finance Officers Association.

A pilot initiative that has proven successful over the last year is Temple City’s two-year budget cycle process. Instituted in 2011, this new format continues to help the City employ best practices of forecasting revenues and plan for multi-year projects. Not only does this format allow us to better communicate with you about what to expect for the next year, but also for the following year.

With the budgeting process starting this April, I encourage each of you to get involved and learn more about what the City will be doing in the next two years,

to see how we budget our funds and to read our newly instituted annual budget document: The Budget-in-Brief. This document is intended to help you understand the City's budget, the different types of funds used, and our funding priorities for enhancing the community. This document, along with the comprehensive annual financial report, can be found on the City's website, www.templecity.us.

As we launch our new website later this year, more information will be available to you. Items to expect include our performance on city investments, quarterly sales tax reports, annual property valuations and other related information. In the meantime, should you like to review any of the information, please contact the City's Administrative Services Department.

Overall, the City's general financial standing is sound. We're making sure that all of our investments are strategic, and that all expenditures are necessary and provide added value to the community. We strive to implement financial management that exemplifies best practices statewide and nationally.

COMMUNICATIONS

We need to update our City website to keep pace with today's advanced Internet standards, because by providing information to the public 24/7, the City website is one of the most important forms of communication. I'm happy to report that this summer we will have a new and robust website. The redesign, with an improved navigation system, will be more user-friendly, increasing accessibility to City services and information.

The City also stepped up its digital game by launching its social media pages on Facebook and Twitter. These free online platforms have allowed us to share news updates, upcoming activities and meetings with you. We continue to encourage the community to "like" our Facebook page and follow our Twitter account to see what's going on at City Hall.

We are motivated to expand the means through which we can communicate effectively with you. We are striving to keep you informed and engaged, through City Manager's reports, news releases, social media, the award-winning *Temple City Connect* magazine, and first-ever Citizen's Academy.

The inaugural Citizen's Academy graduated more than 20 community members. They all had a chance to see City Hall operations and meet its key players. The seven-session academy focused on the City's different functions and how it plays into the larger community. Each session was accompanied by a hands-on activity such as going out to the neighborhood as acting Community Preservation Officers; to going on a tour of the Sheriff's Station to learn more about public safety. The Citizen's Academy created an opportunity for open dialogue between City Hall and its citizens, and to prepare Academy participants as potential future city leaders.

Additionally, *Temple City Connect* magazine has focused on the latest projects and people, while addressing relevant concerns in the city. Staff took our previous newsletter, always considered a valuable resource by residents, and added in-depth articles addressing City programs and issues. The magazine is now an engaging publication that informs readers through its colorful presentation and enticing journal articles.

Temple City Connect also includes Chinese translation of key concepts to increase citizen engagement. The well-produced content and modern layout design has earned a national Award of Excellence from the prestigious City-County Communications Marketing Association (3CMA).

In addition, City announcements are now broadcasted from our very own radio station, 1690 on the AM dial. There, you will hear traffic alerts and updates on Rosemead Boulevard construction. The in-house station broadcasts in English,

Mandarin, Cantonese and Spanish as the City Council is fully committed in communicating with everyone.

Another way we've tried to expand outreach is through communicating with local news media by sending them the City's latest news releases, publishing ads to promote upcoming meetings or having staff speak to reporters in an interview. City Hall continues to make Temple City more transparent and accountable with the information being provided to the public.

Because the City values its growing Chinese population, staff is collaborating with Chinese news media to further expand the City's outreach. We want to reach out to that growing population because our diversity is what makes us strong.

We want to be innovative and thorough when it comes to communicating with the community. But future success demands that we do even more. Please be a part of it, because communication is a two-way street.

LONG-RANGE PLANNING

Our community and environment never stops evolving. Therefore, the City has to adapt to those changes. As a visionary City Council, we're making strategic plans to anticipate the future. We're taking responsibility and responding to the needs of our community.

That's why several plans were completed last year. Your input during public meetings helped the City recognize what is needed in the community. I encourage you to continue providing your thoughts as these plans move forward. Furthermore, your involvement in completing these plans has allowed the City to receive grants toward future projects.

Several of these plans were firsts for the City, such as the Bicycle Master Plan and Historic Resources Survey. The Bicycle Master Plan identified 26 miles of bike lanes in the community, allowing the City to apply and receive nearly \$1 million in transportation grants. It will help us to be a safer, healthier and more prosperous community in the future.

The Historic Resources Survey enabled us to take stock of our rich historic and cultural heritage, which is reflected in our buildings and other landmarks. It reminded us that our history is the foundation upon which we build our future, and that our heritage can be a source of community pride.

In addition, the Downtown Parking Study considered ways the City should handle its limited amount of public parking spaces, while the Traffic Calming Master Plan recommended strategies to reduce traffic speeds in different neighborhoods. These studies are not only important on their own merit, but they became the basis for the Las Tunas Drive study and the ultimate redesign of our commercial corridors.

Another completed plan was the Housing Element Update, which helped us determine how we can provide safe and affordable housing for everyone in our community by allowing different housing options.

Looking ahead, the City will complete its economic development plan in the next few months. This plan serves as a blueprint for how the City will move forward in determining its future investments in new projects and programs.

The various plans will not only provide guidance on the improvements needed in Temple City, but will also serve as necessary pieces to the bigger puzzle: the City's five-year strategic plan. In other words, all the previously mentioned plans help lay the foundation of how we envision a strong, prosperous Temple City in the years ahead.

With an update to the General Plan to begin in the latter half of this year, the City will have a vision of what Temple City will look like in 20 to 30 years. The last General Plan update took place in 1989—almost a quarter century ago—and our city has changed dramatically in the last two decades.

The revised General Plan will be the framework of how we together plan to shape Temple City in the future. It will identify long-term objectives with guiding principles on how to achieve those goals. As a living blueprint, the General Plan will provide direction on where Temple City is headed.

Ultimately, we want to build upon a vision shared by the entire community, one that represents all of its values and aspirations. It will be the collective effort of the City Council, City staff and more importantly—you.

CLOSING

We faced many challenges in 2012, but also enjoyed considerable success, thanks in large part to an engaged citizenry. Now that the City has established its plans, the next few years will be dedicated to implementing them. The Council's goal is to ensure that the decisions we make today will benefit future generations.

Moving forward in 2013, we will maintain a strategic approach in positioning Temple City as a community that is built-to-last. We will continue to focus on the priorities that have served us well to this point:

- Our sustainable infrastructure projects will reinvent our streets and make Temple City a national leader in providing for all its residents, whether they travel by car, bus, bike, or on their own two feet;

- The identification of strategic economic development projects will ultimately create exciting shopping and dining opportunities in Temple City with a broad appeal to all residents;
- We will continue to explore safe higher yield investments and instill highly professional financial management practices, reinforcing our fiscal stability;
- Our enhanced communications functions will make it easier for you as residents to understand our decisions and, more importantly, influence those decisions; and
- Our long-range planning will continue to improve the quality of life for future generations of Temple Citians.

Although we're proud of our progress, we all need to remember that change never happens overnight. I am confident that we have already begun to build a very special community and are truly on the threshold of success. The far corners of the globe have contributed to Temple City's unique personality. But despite being a diverse international community, our town also reflects the enduring small town American values that Temple City was founded on. With that combination of influences, I'm very confident that Temple City's future is bright.

Before I close, I would like to thank Mr. Brian Haworth and his staff for helping me and the Mayor Pro Tem prepare this State of the City Address.

On behalf of the City Council and the City Manager, I want to thank you all for your support and participation this past year. We look forward to continue working with you to make this city a better place for all. It has been a true honor to serve as your Mayor.

Thank you, and goodnight.

- END -