

## 2017 Cupertino State of the City Address

Good afternoon, everyone. Thank you for being here today and giving me this privilege to address you. At this time, I'd like to ask our City Council Members to stand and be recognized.

Vice Mayor Darcy Paul, Councilmember Rod Sinks, and Councilmember Barry Chang.

Unfortunately, Councilmember Steven Scharf has decided not to join us today.

Thank you to my fellow Councilmembers who are here today. You may take a seat.

I'm so happy to look around this room and to those watching at home (look at Camera) and see so many people here who obviously care about this City. As you saw in the video, the pot that was sculpted is a representation of how we all, by our actions, form an inclusive culture of understanding. And as the proverb says, it is what is put inside that makes the vessel useful.

I'm sure many of you have heard the story about the professor who brought a vase into his class, filled it with rocks, and then asked if the vase was full. The class said yes. But then he added pebbles, and then sand, and finally water. The point is that as long as we take care of our major priorities, there is always room for more ideas.

I'm looking at you, our residents, volunteers, organizations, and business owners, to let you know that this expression is for you. You voted us in to represent you.

And we take that responsibility seriously. But understand that you are also a huge part of this, our Cupertino family.

We may be the decision makers, but we will always look to you for your thoughts, feelings, and ideas. Cupertino is a City that you've chosen to live, work, and play. So we ask you to join us and create a Cupertino we all know it can be. I know you will because I saw many of you at our Council's recent goal setting workshop—on a Sunday!

One thing I love about Cupertino is how we come together to celebrate our rich, cultural diversity.

However, I've been increasingly concerned about the negative and demeaning way immigrants, Muslims, women and the LGBTQ community are being talked about lately.

I have been contacted by residents that are concerned and they are asking for our leadership in addressing it. As Mayor, I am asking Cupertino to consider taking a stand by creating policy that protects human rights. Declaring our local support for human rights signals that this community will not tolerate hateful discrimination.

In order to show our humanity, we also need to be there for those who have hit rough times in their lives by giving them a helping hand. The City can't do everything on its own. That's why we need an organization like West Valley Community Services to help those who have fallen through the cracks. West Valley offers a food bank, a housing program, and emergency financial support and education.

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It also warms my heart to share information on the upcoming program that WVCS and St. Jude's are putting together. The church is opening its parking lot every night to homeless families and college students. With the help of WVCS, few families and De Anza College students will be identified to take part in this pilot program.

I thank them for their service to our community.

This is about celebrating Cupertino and recognizing what makes it such a wonderful city.

One wonderful attribute we all have in common is that we want to retain the high quality of life we've come to associate with Cupertino, balanced with a strong commercial industry and robust economy. That is what I want to focus on today.

We take great pride in our history and preserving our historical assets. We hold sacred our safe and quiet neighborhoods. We're proud of our excellent and nationally-renowned schools. And we make sure to offer programs and services to our youth and for our aging community to promote independence, socialization, and wellness.

Whether we're a resident who volunteers, a City Commissioner, a business owner, someone who runs a non-profit, or a City Councilmember, I believe we all care about delivering the greatest good to the community.

### **FINANCE DISCUSSION**

For the City, part of delivering on that promise to our residents is ensuring we are making the right financial decisions. Both in the short-term and long-term. That's why the City Council and staff are dedicated to careful and cautious budgeting.

OK, now I know what you're thinking, "Great, Savita's going to bore us with budget talk." Yes, I am. Sorry. But I promise this will be short and educational.

If you're like me, a resident who's blessed to live in this beautiful city, you probably pay a substantial amount toward your property tax bill. Am I right? I understand. I receive those bills too. If you look at this slide, you will see where your money goes. So now you know that the City only receives about 7 cents for every dollar you pay in property tax. Yes, that's a nickel and two pennies.

Cupertino is what's termed a "low tax" city, meaning it receives the minimum allocation allowed by State law. Due to this low-tax status, it is imperative that we serve you efficiently and use fees to recover costs and supplement tax income.

The reason for that is the founding members of Cupertino had the philosophy that City government should be small and efficient, yet meet the essential needs of its residents,

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such as paying for public safety, maintaining and improving the City's roads and infrastructure, overseeing development, and addressing financial liabilities.

Cupertino operates with a relatively small staff with many functions delivered by contract, such as with the Santa Clara County Sheriff's Office. One of the greatest aspects of the City's contract with the Sheriff's Office is that we receive first-rate protection and service at a much lower cost than if Cupertino had its own police department.

Cupertino continues to remain financially sound. Given short-term development over the previous two years, one-time windfalls in taxes were used to upgrade the City's streets and infrastructure, as well as technology upgrades.

As the night follows day, and the rain follows sunshine, we know that recessions follow the good times. And Cupertino has seen some very good times these last few years. However, experts agree that we may hit a mild recession, or at least a slow down in growth, in the next year or two.

But I'm happy to report that City staff has been aware of this for some time and have already prepared for the worst. We have healthy reserves(our reserves are about 60% of general expenditures), which will allow the City to continue providing the services our residents expect, uninterrupted. For more information, visit [www.cupertino.org/OpenGov](http://www.cupertino.org/OpenGov).

Now, it takes a lot of intelligent people to run a City. And we are lucky enough to have these people in our Administrative Services Department, which includes our Finance and HR divisions. I know I saw Kristina Alfaro, our Administrative Services Director. Kristina, where are you? Can you and any of your staff stand, please?

Let us all thank Kristina and her team, who in my view do very important work with little publicity. Maybe they like it that way?

### **COMMUNITY DEVELOPMENT**

Development has been a huge topic of discussion in our community, particularly within the last year.

And Vallco has been a big part of that. Everyone has an opinion as to what should be done with the property.

Although both Measure C and Measure D did not pass at the polls, residents from all sides do want to see it revitalized. At this time, the City is still waiting to receive new plans from the developer and is looking forward to a collaborative process with the community, which could include a Citizens Advisory Committee, an idea that the Council moved forward at its goal setting workshop.

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Here is what I do know. I would like to see people who have the best interest of Cupertino in their hearts to participate in the process. Vallco has become a center of our collective consciousness. It's been a gathering place for families and friends.

This brings me to the definition of community development. It's a process where community members come together to take collective action and generate solutions to common problems. We are all in this together. It's said that it takes a village to raise a child. I also believe it takes a village to run a village.

But when we are all at work, or with our families, we have our Community Development Department to oversee the day-to-day details of development in Cupertino.

Here in Cupertino, we have tasked this Department with ensuring sustainable development, economic opportunity, and collaborative planning, among many other things.

2016 kept our planners very busy with several big projects. 2017 looks to be a lighter year, with a drop in large-scale projects and a sustained level in smaller residential and commercial projects and renovations.

But let's discuss some of the things that have been going on:

Let's start with the big apple in the room: Apple Park, once known as Apple Campus 2, that is. Construction has been progressing and Apple expects to have partial occupancy by spring. There will be approximately 3.4 million square feet of office and development space; a 1,000-seat auditorium (named the Steve Jobs Theater, OF COURSE), a central plant, and a fitness center. Apple plans to begin occupying the buildings in April and complete the move by the end of the year.

Let's take a look at how the campus has progressed.

*(Pause for short video)*

Speaking of Apple Park, we have housing approved at the Hamptons next to the campus, which will provide workers with the ability to walk and bike to work. The Hamptons site is identified in the Housing Element as a "priority housing element site." The project proposes to replace 342 apartments with 942.

The Hampton project will also bring additional community benefits such as \$7 million towards the Civic Center, an additional \$7 million for the I-280/Wolfe Road interchange, extension of a recycled water line to the project, and will share the cost toward the establishment and operation of Transportation Demand Association that will go toward funding community shuttles.

Another project, which had its grand opening in September 2016, was Main Street. Since the approval of Main Street Cupertino, construction for the retail portion has been completed with majority of the spaces occupied. The office and flex space (which houses small businesses) are 100% occupied.

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Having a project like Main Street provides identity and a gathering place for residents and a place to host community events. Other uses that are to come in the upcoming year include a 180-room Marriot Courtyard hotel, 120 apartments and a half acre public park in addition to the already built Town Square.

Also in September 2016—see, I told 2016 was a busy year—the Planning Commission approved an application from Target to remodel the existing store on Stevens Creek Boulevard. The project includes a complete revamping of the interior to be more responsive to new shopping trends, solar canopies in the parking lot, a new curbside pick-up area, an outdoor plaza, and landscaping. The City Council also approved the Marina Project, which was identified as a priority housing site in our Housing Element.

The City is looking to find new ways to get information to residents and we have a couple of exciting new additions to our platform this year. One feature is a 3-D modeling tool in our Geographic Information Systems, better known as GIS, mapping feature. It gives residents and property owners a three-dimensional imaging on what can be built on the property based on the City's ordinance. Another feature we hope to bring by the end of this year is an easy application that will allow residents to find out projects that are going on in their neighborhood and the City. We hope that this brings City Hall activities closer to our residents and gives them additional tools to stay connected.

\*\*\*Show 3D City video\*\*\*

I've spoken a lot about development, all in the sense of construction and buildings, but I did want to discuss a different kind of development, and that's an amendment the City Council made to the City's beekeeping ordinance. The ordinance had previously prohibited beekeeping within a majority of the City.

Bees are very important to our way of life. One theory says that if bees disappeared, mankind would have only four years of life left.

The amendment provides more reasonable and flexible regulations to support and encourage urban beekeeping and the production of local honey. Community Development Department collaborated with the youth of Cupertino's Rolling Hills' 4-H team to develop regulations for the ordinance.

And all of this doesn't even touch on the day-to-day activities of our Community Development Department.

Aarti, I know you're here. Can you and anyone else from your staff please stand. Can we all thank them for the work they do for our city. Thank you.

## **PUBLIC WORKS**

Now, our Public Works Department has the most tangible projects. We can usually see what they're doing in real-time, when they're doing it, where they're doing it, and what

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they've accomplished. Maybe it's resurfacing tennis courts, changing out city-owned streetlights, or taking care of our storm drains.

During the recent rains, Public Works was extra busy clearing any fallen trees and landslides. I have heard from several people applauding the response time of this team.

Public Works takes on a lot of responsibility for the design, construction, and maintenance of the City's infrastructure. What does that include? Public streets, sidewalks, curbs, gutters, storm drains, trees, street lights, signs, public buildings. Whew. Just saying it feels like a lot.

Speaking of a lot. Did you know that there are 139 miles of public streets in Cupertino? That would be enough roadway to get us from Cupertino all the way to Sacramento, with a few extra miles to spare.

Taking care of this incredibly important network of roads is quite the undertaking. But our Public Works Department makes it look easy. Last year, the Cupertino's Pavement Management Program was selected as the winner of the League of California Cities 2016 Outstanding Local Streets and Roads Project Program.

That's quite an accomplishment. So why did the City receive this award?

In 2016 alone, over 40 streets of varying lengths throughout the City were paved with more than 25,000 tons of asphalt. This work was preceded with the replacement of over 6,000 feet of concrete curb and gutters and over 275 new concrete accessible ramps.

But the good work didn't stop there. They also planted 447 trees at 368 new locations and cared for an additional 3,000 trees across the City.

The Cupertino community decided long ago that ensuring a sustainable future and creating a healthy place to live, work, and play was important and should be a priority for the City. That's why the Cupertino City Council adopted a Climate Action Plan in 2015. The plan defines strategies to reduce greenhouse gas emissions, as well as provide energy, water, fuel, and cost savings for the City, its residents, and business owners to further improve Cupertino's already high quality of life. Many of our departments are doing what they can to fulfill the plan's priorities.

So what did our Public Works Department do this past year to help fulfill this plan? Let me count the ways:

- Achieved 75.8% litter reduction, surpassing the 60% state stormwater requirement for 2016
- Expanded network of electric vehicle charging stations to include the Quinlan Center and library parking lots
- Launched Safe Routes to School Pilot Program, partnering with six schools in Cupertino to develop strategies to improve student safety and encourage walking and biking to school

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- Engaged 5,000 community members in environmental stewardship at nine events
- And received a National Award for Municipal Stormwater Management, Green Infrastructure, and Innovation from the Water Environment Federation.

But our City didn't stop there. As a community, we're convinced that climate change is real, and the City is dedicated to being a better steward of our planet.

In addition to the wonderful efforts by our Public Works Department, our Sustainability and Environmental Services Divisions helped Cupertino become the first City to take action to establish and join Silicon Valley Clean Energy, bringing a community choice energy option to Cupertino residents and businesses in 2017. This will provide cleaner and greener electricity.

For the first time, residents and businesses in Cupertino will have more than one choice of an electricity provider. Silicon Valley Clean Energy, a new non-profit, public agency, will begin serving customers in 2017. SVCE is chartered to source renewable and 100% carbon-free electricity at competitive prices.

I think it's safe to say that we're in good hands with our Public Works and Sustainability and Environmental Services Divisions. Timm Borden, our Public Works Director, is here today. Timm, could you and your crew please stand. Also, any Sustainability and Environmental Services staff here? Let's thank them for their work in maintaining our wonderful city.

### **RECREATION DEPARTMENT**

Last but not least, let's talk about our Recreation and Community Services Department. Or, as they're better known, the "Fun Department." And they really do have all the fun.

They offer camps, classes, and programs in everything from badminton to 3D design, bilingual music to gymnastics, karate to watercolors, and so much more. Much of this takes place in our incredible City facilities, like the much-loved McLellan Ranch, Blackberry Farm, the Sports Center, Quinlan Center, and Senior Center.

All of this is offered to create a positive, healthy, and connected community.

And although they offer these services to every age group, there are two that are closest to my heart: youth and seniors.

I ran on a three-point platform: Youth. Environment. Seniors.

For the youth, I said I wanted to promote safe, fun places and programs. I'm proud to say that our very own Recreation Department exceeds my expectations for offering these things.

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Along with providing safe and fun spaces, the Recreation Department also oversees a teen volunteer program. This program provided over 2700 hours of service throughout the community at various locations: West Valley Community Services, McClellan Ranch Preserve, Live Oak Adult Day Care, and the City's Environmental programs. Summer camp programs experienced an increase in their enrollment.

On a side note, I'm proud to say today, we will have a Youth Incubator Program in the City soon. Why? Because I believe every student, every idea, and every startup has the possibility to do great things and shape our culture. Our City Council has also agreed to look into a senior mobility pilot program. We have a very active senior population in this City. But we leave them stranded at times due to a lack of regional transportation. So we are dedicated to at least partly solving the issue with local effort. I hope to achieve both these goals this year.

OK, now back to our Fun Department. We know we can always improve. Luckily, those in charge of the Recreation Department know this too and are in the midst of completing a new Master Plan.

The Fun Department has embarked on a project to create a long term vision for how Parks, Recreation and Open Spaces should be managed in our city. The City has contracted with a firm that specializes in creating master plans such as ours, which will be looking forward to the year 2040. This plan will be driven by desires and input from you, our community members to best determine how much park land is the right amount, what kinds of programs are needed and desired and how best to preserve our natural environments. Also, do you want a community theater, a cricket field, or an all-inclusive park for those with special needs.

This is both very important work, but also incredibly exciting. Together, we will focus on themes that will ensure our parks and recreation programs are inclusive for all members of our community, maintain the aesthetics of our city and also ensure Parks and Recreation continues to be a driving force in the economic vitality and livability of our city. The plan is expected to be completed mid-2018.

Let me take a moment to thank our Recreation team. They do a wonderful job of bringing joy, education, and wellness to the community. Can our Recreation Director Jeff Milkes and his staff please stand. Thank you all for your continued efforts in keeping Cupertino a healthy and vibrant city.

## **CONCLUSION**

So, there you have it. Our City in 30 minutes.



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But don't think that this is the last you'll hear from us. The Council and staff are dedicated to ensuring that our community has access to timely, engaging, and important information.

So make sure to visit our City's website, [www.cupertino.org](http://www.cupertino.org), every once in a while for updated information.

A side note: we will have a new website before the end of this year that will be more intuitive and allow for easier access of information.

Do open up the newly revitalized Scene when it comes in your mailbox. That newsletter is full of useful information, including a robust community calendar to let everyone know what's going on around town.

Also take the time to read those official postcards and letters that the City sends neighborhoods to let them know about projects going on in your area. I know they're easy to just throw in the recycle bin with your junk mail. But they have important information on them that will make you a more knowledgeable resident.

The City also has a strong presence across social media. So make sure to follow the City on Nextdoor, Facebook, YouTube, Instagram, and Twitter. See, I told you it was a strong presence.

When I step away from this lectern, you will see me again. Our dedicated staff and I have a mission of being out in the community. You may have seen us tabling during the Fall Festival, Earth and Arbor Day, and others.

We will continue to do that, but now we will be at our Farmers Markets. Please come by and visit our Commissioners and staff.

Now, I would be remiss if I didn't thank some other people. As I said when I first stood up here, this is all about teamwork. It would be a thrill for me to come up here with a flowing cape on and announce that I, Savita Vaidhyanathan, could cure all your ills. But it is just not true.

Yes, I have my own ideas, beliefs, and opinions, but I am not alone in this journey.

So, thank you to our City Manager, David Brandt, and his incredible staff. And thank you to our City Attorney Randy Holm and his staff, as well. Can you please all stand. Let's give them a round of applause, please.

Now, our fair City couldn't do much if it weren't for our residents. The people who give up their time with family and friends. Who are these people? Our Commissioners and Sister City members.

Neighborhood Watch, Block Leaders,

School District Officials, many parents and volunteers.

*(Pause)*

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Thank you for your love and dedication to Cupertino.

And let me take this moment to thank the Cupertino Chamber of Commerce and the Rotary Club of Cupertino for their continued support of the City. This has been a decades-long partnership with their city and help complement the City's services. Let's give them a hand.

PAUSE

A personal thanks to all my friends here and in the city for keeping my spirits high. And where would I be without the unwavering support from my husband!

Now, let me leave you with these words. American dream is not about an individual striving, it is a vision of a people, an aspiration of the most consequent civilization. There is a lot going on in our country today.

And that's what makes this country, this city, and even this room so special. So please add your dreams, expectations, and hopes to this pot. With your help, we can create an even more wonderful community.

On your table, you will find these little connectors. We all have different types of devices. No matter which one you have, the City wants to work with you.

Thank you. Be blessed.