

SOTC 2014

DRAFT

Good morning. I wish to thank you, the members of Surprise Chamber of Commerce, and Director Ab Jackson, for inviting me here to share, on behalf of Surprise City Council, the state of our city and our vision for the future.

I want to first of all acknowledge our immediate future....first pitch is at 1:05 this afternoon at Surprise Stadium! It's always an exciting day, and we are proud and fortunate to have such a beautiful stadium and such beautiful weather to broadcast back to all those cold fans in those cold cities who are following their teams this spring. Nothing gets Surprise out there on a national level like Spring Training baseball.

And I have good news about driving to the games or anywhere around Surprise during this busy time of year. We've all noticed that our friends at Maricopa County are working on the intersection at Bell and El Mirage. Traffic has been absolutely brutal. They are now telling us that during March, in recognition of Spring Training, the CTCA Tennis event, and the peak of our winter visitor season, they will remove traffic restrictions during the day and restore full use of all lanes. That's good news for everybody.

Nothing gets me more enthused to come to the Chamber than good news...especially about our finances. It was just last week we were told by Fitch Ratings that our MPC and General Obligation bonds have been upgraded and they have improved the outlook rating to stable from negative. That's setting the stage for great things in Surprise....and it's the kind of result our community expected from this Council team. I am pleased to tell you we are delivering!

You may remember that my first annual address was in Council Chambers, which was appropriate at the time, when the focus needed to be on fixing City Hall.

You might think it was the great breakfast that made me ask the Chamber and the Colonnade to host this speech. But the good cooking in the Colonnade kitchen wasn't the only reason! As we fixed our problems and focused on the future, it seemed fitting that I present that vision right here. After all, you are the ones with skin in the game. You are building businesses, anchoring our neighborhoods, raising families, improving our employment base, supporting our schools and leading our civic life. Without you, Surprise has no future at all.

But, before we talk about that future, I want to take you back almost exactly one year ago today, when I last spoke to you. There, in that first row, was a man who defined the meaning of public service in Surprise: Roy Villanueva. Roy passed away on July 22, after lifelong service to the community and the family he loved so much.

Roy began his council service in 1979, and served as a Councilmember, Vice Mayor and Mayor of Surprise. He and Rachel raised 3 children in the OTS neighborhood of the City, and Roy welcomed 2 grandchildren into the world.

This afternoon at Surprise Stadium, Roy will be on my mind. He was the first and strongest advocate for the Surprise Recreation campus, now our community centerpiece. A piece of our hearts and a piece of our history left us when Roy died. We miss him very much.

Rachel has her own record of distinguished service as a one-time Dysart School District board member. And last summer, at a time of overwhelming personal grief, she graciously volunteered for service, and was unanimously selected by the Council to fill Roy's position. I cannot express how grateful we are. Rachel, thank you!

Those of us who knew Roy know when he made a promise; he was going to it.

Last year, I made commitments to you about completing the job of stabilizing the city's finances, energizing the community to create a new vision of our future, moving on our transportation challenges, and never ever forgetting that Surprise needs and wants a good business climate to attract and grow jobs.

When it comes to making promises, I remember good advice I received years ago: Promises are like babies crying in a movie. They should be carried out immediately.

Today I can tell you we acted immediately and we kept those promises. We did it....and we did it together.

We welcome a new Council team this year. They are already doing so much make that future happen. They are a talented, passionate and enthusiastic group bursting with ideas to take and committed to accountability to our residents.

I know talent when I see it...so in November...before our new members were even sworn in...I called a Council retreat to get our ideas on the table and set the stage for 2014. It was a great day...one of the most exciting and encouraging of my tenure as mayor.

My message was straightforward: as a city, we are not a kid anymore. It is time for discipline in development, focus in our planning, and a connected citizenry. There is no going back to saying "yes" to every development idea that comes along. We have created value in Surprise, and we need to understand what we are worth and hold to high standards in our growth models.

We talked about land use...and how to assure we avoid mistakes others have made, such as obstructing mountain views, as we resume growth. We talked about protecting our open space, respecting our wildlife corridors and waterways, and taking responsibility planning our long term water supply. Sustainability means responsible stewardship and clear vision. This is the right council at the right time, and our community will be much better for their service.

It's one thing to say we're bringing new ideas and another to do it. My experience tells me you have to have the structure in place to make an organization as large as the city move efficiently.

Two weeks ago I announced two kinds of committees ...one, standing committees composed of council members and residents, who will stay focused on our biggest challenges and most ambitious goals...and drive them forward with energy.

That's right....a city council subcommittee that includes residents. It's time we formally acknowledge what we've always known: our residents want to be engaged, and it is our responsibility to engage them. It's time to bring people closer to their government...since it is their government after all.

Vice Mayor Skip Hall will lead a committee focusing on our long term water needs; Councilmember Todd Tande will keep the focus on processes and standards...are we doing things the right way? How can we be better? Councilmember Jim Biundo will keep our community groups plugged in, and drive our mission to land federal funding; Councilman John Williams, who is so committed to preparing our young people for leadership, is working with students city-wide on a youth master plan; Council member Villanueva is going to chair the effort to reinvigorate our OTS and connect it to the Grand Avenue vision we will talk about this morning, and Councilmember Roland Winters will see to it that the residents who volunteer their time on Boards and Commissions make real contributions.

Today I will show you how it all comes together to shape the great adventure that is in store for us, but first, let's talk about what all cities are ultimately built on: good jobs; decent employment that our residents can value and be proud of.

I promised to focus on jobs. We kept that promise and the results keep rolling in. Today, there are 1,000 full time jobs in Surprise that were not here a year ago. Today, there are almost a million square feet of commercial office space under development that were not committed to our city a year ago. I've been to ribbon cuttings and grand openings seemingly every week, and I can't get enough of it. It's great news for our city. Jobs mean opportunity for our residents and new dollars in our economy.

But there is more to it....job growth means other good things are happening. Businesses relocate where they see a promising future for their products and their employees. New businesses spring up where individuals feel they are in the right place to take the risk...to go for their dream and build a future.

That says a lot about Surprise. Because if people still believed the old headlines, that feeling of confidence and promise would not be here. In fact, two years ago, that feeling was not here. We've changed. We're better.

Let me give you a very important example that happened very recently. As we know, for years and years our community has been hamstrung in getting development going on the private land that is Surprise Center ...the square mile around City Hall our residents have said time and again they want to see become a true downtown. Why? Because the City of Phoenix...many miles away.... controlled restrictions limiting the type of business that could open there. The restrictions prohibited overnight stays. The things you find near every great downtown.....good hotels, first rate hospitals, apartments and condos, or universities with student residents....couldn't happen here.

At one time those restrictions had their place, protecting Luke Air Force Base flight paths. But times had changed....and we took charge!

We got down to work with the City of Phoenix and Luke Air Force Base to find ways to assure Luke was protected and that Phoenix had confidence in our governance. The City Council and I made a lot of calls and met with a lot of people.

And it paid off. In December, the Phoenix and Surprise City Councils approved an agreement giving Surprise the power to lift those restrictions permanently. With the help of Phoenix Mayor Greg Stanton, former Councilman Tom Simplot and many other influential friends in the region...we found a way to bring a true downtown forward at last.

The victory for Surprise is hard to overstate. With our ability to lift restrictions, the property becomes instantly more attractive to the kind of developments that make a real downtown. With the community commitment already there....Surprise Stadium, numerous recreational facilities, City Hall and the private hotels on the west side of Bullard....all the pieces are, finally, in place. And we have honored the vision of our community.

We've changed and we are better. This accomplishment says so much about us. It is fair to say Phoenix might not be open to an agreement if they still believed the old headlines and lacked faith in our competence or commitment.

It also says a lot that this morning we can welcome to Surprise Mr. Barry Broome, the President and CEO of the Greater Phoenix Economic Council, who is leading the regional and statewide vision to expand or relocate businesses to Arizona. Barry and GPEC know that success builds on success in the economic development world, and we've worked so well together to include Surprise and all we have to offer to companies considering relocation. Barry, you and GPEC do critical work for our region. Welcome...and thank you for being here today.

None of the job growth we talked about would happen, none of the strong partnerships we have built, would happen if people believed we neglected our own financial challenges and budgetary responsibility.

These successes happen when trust and confidence are restored.

We've come a long way.

You see, what our goals have really been about is giving residents, the region and our visitors reasons to believe: reasons to believe we do what we say, reasons to trust that the future is bright for family, business, culture and opportunity in Surprise.

It was just a year ago that our finances seemed opaque and our budget very challenging, despite our early steps to improve. I stood here to discuss managing a severely restricted budget and looking at a nearly empty reserve fund. Our basic services were still going full blast, but mid-range items, such as replacing worn-out vehicles or staying on top of an aggressive road repair schedule, were big question

marks. We were dealing with a lowered bond rating too, largely because of unanswered questions about our financial past.

I told you we had begun fixing things, and I promised that 2013 would see us put these nagging problems to rest once and for all. We launched far-reaching audits to clear up our past, and pledged a fully-funded reserve by mid-2014.

Did we do it? Yes! Yes, we did. By summer, every scrap of paper related to our inter-fund loans and development agreements had been scrutinized and cleared going back more than ten years.

Our two-year plan to replenish our reserves was ahead of schedule and remains so. At the end of our fiscal year last June, our budget was in surplus, and this year, our City Manager and Finance Department have confidently forecast yet *another* budget surplus.

The impact on our reputation in the markets was immediate. By July, Standard and Poor's had already raised our credit rating from its low point. At the time I said that as we resume our progress, these ratings are critical in financing long term capital improvements for community needs.

You know, it feels good to be able to say all this, and to look out at you all and know I haven't let you down. It's important for all of us to know that over these two years we have made big strides in restoring our brand, and building belief in Surprise among people around the Valley, the state and even the country.

But it also makes me think about how much of the credit belongs to you and the rest of the residents of Surprise. We don't accomplish our goals in a vacuum. We form them together and we achieve together.

Last year, I could not stand here and tell you the community had a clear sense of where we want to go, because we didn't have a community-endorsed General Plan in any real sense of the word. The last time the public approved a plan was in 2000, when Surprise had less than a third of the people we have today. I told you that I sensed we were ready, that our community would engage, and we would craft a guiding document to set our course for the next 20 years.

And we did it.

When we formed a General Plan Committee and started reaching out, more than 2,500 people responded. It was a tremendous, unprecedented, reaction. The final Plan was unquestionably the expressed vision of the people, and I was not at all surprised in November when it passed with more than 72% voting yes, because I knew it was authentic.

I think of that success as a rite of passage. When that many people say: "Now, I am ready to get involved." "Now, I know my voice matters," you know a period of renewed faith in our future has begun.

Council has grabbed this new attitude with both hands. With that sense of community support, we felt confident about moving quickly in December when we saw the chance to place the West Valley Arts Council into vacant space next to City Hall.

You might remember this space. The Heard Museum West was there before withdrawing from Surprise a few years later. I watched that happen as a private citizen, and I took a lesson from it. The key to introducing and building the arts is collaboration with local professional artists. After all, who cares more about arts in our city than the talented artists already here, itching to make our arts scene take off?

Under the leadership of Bernadette Mills, arts in our emerging downtown will be compelling, dynamic and a lot of fun. You'll go back again and again to see the next live performance, or what exhibits are up this week. Local creative energy helps define every great downtown, and Bernadette's group will help define ours.

Thank you, Bernadette, and welcome....

Our cultural life is critical, and there is another basic need Surprise has wrestled with for many years. We hear about it from everyone...teenagers to business owners to senior citizens: We need to make it easier to get around town and we need to connect to the region and the state. We need to see people, businesses, ideas and energy flow into Surprise from around the Valley, and give the Valley more chances to know us.

Last year we saw major steps taken...we welcomed the 303 through the City, and we can finally see the day coming.... next year!....when the full scale 303 will be open to the I-10, and the interchange there complete.

The result will energize Surprise and the whole Valley. For the first time, the talent, drive and creativity of our community will be on the grid. There is no question that finished freeways create wealth and drive business to the tune of billions. We will expand the type of businesses we will attract, Prasad and our local businesses will benefit, and so will our food scene, our retail choices, our cultural life. The energy and the joy we feel living here every day will be multiplied. And it's about time.

That doesn't make getting bogged down at Bell and Grand a pleasant experience, though. A chokepoint like that is so detrimental and we know it will get worse. We've got to fix it and at the same time, we've got to protect the critical business centers there. I promised you that advocating strongly at ADOT on this issue was a top priority for me, and I kept that promise.

We worked with ADOT on design and we worked with businesses to advocate for their interests. ADOT heard us loud and clear: Surprise simply cannot thrive without a strong commercial presence at Bell and Grand. Those businesses are at the heart of our city and critical to our future. We needed a plan that would help them succeed, even in the midst of construction.

We got down to three, and one, called Option A, is a freeway-style overpass with on and off ramps in the existing roadway...no long on and off ramps or access roads. This has the least impact on businesses

and reduces the amount of land needed. Our businesses supported it and the Council gave it a unanimous recommendation.

Then.....we took it to the people. I knew Surprise would respond, and did you ever! More than 3000 people spoke out. Some came to us through a survey in Progress magazine, still others online. I asked the staff, who counted and recorded each survey, to bring that stack here today, so you could see what it looks like when that many of your neighbors, friends and family speak out.

85% of you chose Option A. I'm bringing this stack of surveys with me to an ADOT hearing in Surprise later this year, to demonstrate that we speak with a convincing and a united voice.

We've been working on ways to help people move around, to get back and forth to work. I know a lot of people are aware of Express Bus 571, a straight shot down Grand to Phoenix and back every rush hour, every weekday, because most of the time it is standing room only! Last year we expanded that service to four morning trips and four evening return trips, five days a week, giving commuters more flexibility and more choices.

I'm happy about that, but you know what? It's not enough. It's not near enough.

If you are standing on an express bus to work every day,

or in a jam at Bell and Grand,

or wondering when you'll find a job closer to home,

or wondering if your kids will be able to raise their families here and stay close to you

or if you just want to see Surprise takes its proper place as a great Arizona city.....we have to do more.

So that's my promise to you. Let me summarize where we are and then tell you where I intend to lead us.

It's really pretty simple: Promises made, promises kept. Problems faced, problems solved. Things we were missing, we now have.

When you are starting out on a great adventure, the last think you do is check to see if you have everything you need. That's where we are now, at last! We're packed. We're ready to go.

It's time to look past just the rest of this year

It's time to lift up our eyes

It's time to set out the markers of the real Surprise adventure!

Let's begin!

Surprise is now poised to attract a major corporate presence. We have created new jobs and businesses. Now, let's leverage that to land employers with the corporate presence and the community leadership every healthy, growing community needs.

Large, forward thinking employers invest in their communities. Studies show charitable giving goes up as corporate citizenship arrives.

Corporate strategists know it's good business to help keep their community thriving....so local hiring, training and investment arts, culture and the social fabric of a community often follow.

A corporate voice in the Northwest Valley becomes an immediate player, leveraging influence on everything from taxes to transportation.

Our advantages becoming better known all the time: available land, great access to improving transportation, a ready workforce, and a friendly business climate.

But look what's changed! Now, our finances are clear, our General Plan is in place, we have a record of success and we have the confidence of the region. We're ready. Let's act.

Let's also commit in 2014 to showing the whole region how mass transit can work in the Northwest Valley, and revitalize our Grand Avenue corridor.

We can revolutionize the morning and evening commutes for thousands of our residents with all-day express bus service between Surprise and downtown Phoenix. Not four trips each rush hour...but trips all day...all the time. The kind of frequency where if you miss one....you know another one is coming along soon.

There is an increasingly robust light rail and bus service in the Valley that Grand Express express bus can plug into, making it possible for you, or your teen who doesn't drive...or parent who doesn't drive anymore.. .to get precisely where you need to go.

But we know what happened when we wait for transportation planners to address Surprise concerns. DECADES can go by. So why wait? The road is there, the buses can be found, the regional network is in place, and valley-wide we have been managing transit systems for a long time. Our staff is looking into grants funding for buses, and we already have Park and Ride property near Bell and Grand. The success of the 571 express tells me people are open to mass-transit.

So I intend to pursue Grand Avenue bus rapid transit, connecting Surprise to Central Phoenix and Phoenix with Surprise. And let's commit to achieving a dedicated diamond lane on Grand for these buses....and carpooling commuters...so they truly have an express ride. Save time and stress....and save wear and tear on car, body and mind. That's a real quality of life accomplishment for our residents.

Those of you who know me know that in my bones....I see how transportation connects to every aspect of successful community life. That is what I see here for us. This is more than just moving people. It means making Grand Avenue a destination, not a relic.

The potential has always been there...right before our eyes. There is nothing like it ...a unique diagonal across the heart of the West Valley straight to downtown Phoenix...with the potential to be not just a thoroughfare, but a destination all its own.

Grand will always be there, it will always be important. Let's start treating it that way. Let's leverage bus rapid transits as part of a strategic approach to revitalization. When it is easier to get to Surprise from Phoenix, especially without getting into your car, we become more attractive to businesses that cater to a regional customer base, such as technical schools. More and more talented people discover our city, and social capital builds.

Because we can never forget that it is always about people. In fact, it is about our most historic neighborhoods, people living where Surprise began. So I intend to move us forward on that front, too, which is why I have asked Councilwoman Villanueva to chair a working group to start an annual I Heart Grand festival this fall; a fun, family-friendly way to reintroduce our historic neighborhoods to the rest of our city, and start bringing us together again.

This year also needs to be a year of decision. The community gave us a road map with the General Plan; now let's get down to turn-by-turn directions. Let's review our needs and prioritize our 3 to five year capital plans.

The time is right: our finances are clear, our credit ratings are improved, and our budget is in good shape. So let's get talking: What do we need that we don't have? What can we anticipate, plan and finance?

The Community conversation really never stops in Surprise, but this year we need to focus it on our needs and how to pay for them. If we want it in three to five...need to start now.

In 2014, let's build on our emerging leadership role to help build a regional plan for economic development, the future of our young people, transportation and other issues

For many decades, most regional resources went to the East Valley, to the detriment of the West Valley. We see that in everything from how long we waited for our freeways, to how many big name corporations locate there.

The success of the East Valley over the decades really comes down to one word: Unity. We need that unity here, and it is already started!

This year you will be hearing more about the West Valley Vision. Surprise and other West Valley cities are working with an international consulting firm to build a serious, 30-year vision for the entire region. We are talking about a cooperative vision, something our friends in the East Valley did so successfully...and so long ago.

A cooperative vision means we don't beat each other up about who gets which ED opportunity, it means we don't argue over who offers better educational opportunities, or squabble over scarce transportation resources.

One thing we already agree on: those days are over and they accomplished exactly nothing. It's cooperation that creates success. We learned that when we worked together in the Luke Forward movement and spoke as one voice supporting Luke as the main training center for the F-35 fighter, and you know what? The first F-35's landed at Luke at the end of January. What an amazing accomplishment for Arizona and what a statement about what a unified West Valley can do!

Here's another example: Interstate 11. This congressionally authorized freeway will link Phoenix to Las Vegas and serve as a national gateway to the Northwest Valley. We are already working with the federal government and the state of Nevada on alignment options. In making our case for an alignment that will maximize the benefits to the West Valley, we can't be seen as bickering neighbors. We need to stand behind an agreed-upon regional solution.

Lessening the impact of our growth on our energy demands, our water supplies and our desert environment are absolutely critical. It makes no sense for good sustainability policy to stop at one city's borders....just to meet another set of policies on the other side of the street. No, the land and our natural resources demand to be seen as a piece, and managed as an interconnected whole.

The future demands that we work together, and the future will hold us accountable

It's because of the future...and a vision for that future...I keep a sharp focus on attracting a four year university to Surprise Center.

A university is always about the future. Universities build the future before our very eyes. Families who love Surprise and want their children to love it too, know that the chance to get a college degree in our hometown is critical to growing a second or third generation born, bred and committed to Surprise.

Every corporation that looks at us, any business already here, wants to know we are serious about building our intellectual, educational and cultural resources. I promise..... that vision of a Surprise-based university never leaves my mind or my plans.

I love being among so many people who like me, love Surprise and are dedicating so much energy and talent to improving our community. I know you understand when I tell you that what it all means is simply this:

We are moving past the basics.

We are packed and ready.

Our adventure awaits.

A lot of our guides and trailblazers are here today.

o Dr. Gail Pletnick, the superintendent of the Dysart Unified School District, who work tirelessly to innovate in our schools. Dysart produced the 2014 Arizona Education Foundation Teacher of the Year,

5th grade teacher Beth Maloney of Sunset Hills, who we recognized Tuesday night at our Council meeting. Dr. Pletnick continues to work with us in so many ways, for example, helping us survey youth and bring the voice of young people to City Hall.

- o Business leaders like Ab Jackson who never give up in the pursuit of growth and success for our business community. This is first-class idea man....and of the rarest kind...gets things done!
- o Ken Wright, who guide and encourage us to stay focused on our tomorrows as much as today, ensuring that our water resources sustain us for generations to come.
- o Melissa Holdaway....educating and innovating with young people who need the outreach and the encouragement the most
- o Michelle Dionisio, and the good people of Benevilla, who remind us that every great community has a strong and open heart.
- o Leo Mankiewicz....who can't be here today....stepped up to serve on the City Council when a vacancy arose and represented District 5 with confidence and energy. He was the first chair of the General Plan committee that galvanized Surprise, and we are all indebted to Leo for his service.

And so....Let the adventure begin!

Gone are the days of rescue and resuscitate. We did that.

We no longer wonder what we will be when we grow up. We know.

We are no longer an isolated, if growing, part of the Valley. Now we are connected and influential.

We have a history to embrace, and an even longer, luminous future to plan and accomplish.

I cannot wait for what comes next! And I am so proud and happy that we will be doing it together.

Thank you!