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## **Progress Seminar Speech**

**April 8, 2016**

**Monterey Hyatt - Monterey, California**

Good morning, Everyone!

Let me start by saying that the State of the County is stronger than ever! We are working on regional issues in a collaborative way and we are tackling some of the biggest challenges of our generation --head on!

Jerry Seinfeld said, "I am so busy doing nothing... that the idea of doing anything - which as you know, always leads to something - cuts into the nothing and then forces me to have to drop everything."

Hopefully, all of us have dropped everything given the opportunity to gather in beautiful Monterey, learn new things and strengthen our ties to one another.

Monterey is certainly one of the most beautiful places in California - right behind San Mateo County!

Thank you Amy Buckmaster, President and CEO of the Redwood City Chamber and all of the Chambers and organizations in San Mateo County that are co-hosting this year's Progress Seminar. Also, thanks to the Event Co-Chairs, Kevin Mullin, Rosanne Foust, and my dear colleague, Supervisor Carole Groom - and to the committee and staff that worked so hard to make this year come together. And thank you for attending this year's seminar.

Let's give a big round of applause for everyone's contribution.

It's a privilege, as President of the San Mateo County Board of Supervisors, to present the time-honored tradition of the "State of the County" update. But before I do, let me take a moment to give some context to the report. We are all witness to the changes in demographics, income, housing prices, mix of businesses, and even our skylines. Life on the Peninsula is very different—even from five years ago. We are in the midst of a profound transformation.

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Our mix of cultures, languages, food, and traditions makes us diverse; Our immigrant population has grown at a faster rate than most other counties in California (4<sup>th</sup> fastest growth).

And, basically everyone's working. The unemployment rate on the Peninsula is among the lowest in the state at 3%.

Personal income increased to nearly \$90,000 per capita.

Our area attracts more visitors than ever before. Last year, 50 million passengers passed through SFO. The airport had the highest rate of international visitors of any American airport in 2015.

The median home price in December of 2015 was \$925,000, up 14.6 percent over prior year. In 2010 the Property Tax Roll was \$141 billion. Today it is \$177 billion.

The demand for office space remains unchecked.

That's a brief snapshot of the strength of the local economy, but what about the strength of our county government? I believe our strength can be measured around four questions. They are:

1. First, how safe are our communities?
2. Next, how well are we providing for the health and well-being of the most vulnerable among us?
3. Third, how well do we communicate, collaborate, and cooperate with partners to effectively serve all of the people of our County.
4. And finally, are the County's finances well-managed?

So let's briefly examine each of those questions.

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## **How safe are we?**

We are fortunate. San Mateo is one of the safest urban counties in the State. Violent and property crime have decreased by 27 percent and 21 percent respectively since 2006.

Our recidivism rate is 24 percent compared to the State's rate of 61 percent, and we are focused on lowering that statistic.

In March, we celebrated the ribbon-cutting of the Maple Street Correctional Center. It's NOT a temporary warehouse with a revolving door for people who've committed crimes. It's a facility designed to provide an array of services to inmates who EARN the right to develop themselves and establish a new course for their lives. Programs like the CHOICES reentry program, the culinary training program, computer training classes, GED classes, art therapy and other programs will be available to inmates.

I want to thank Sheriff Greg Munks, Undersheriff Carlos Bolanos and their staff - and my colleague Supervisor Adrienne Tissier for their incredible vision. It's taken 11 years of hard work and an unwavering commitment despite opposition and uncertain economic times. And something that would bring a smile to any county manager or city manager - the project was completed on time and within budget.

## **What does the health and well-being picture look like for the most vulnerable among us?**

Frankly, it's a mixed picture.

On the positive side, San Mateo County is one of the most successful counties in the State in assisting people to sign up under "Covered California", the State's health insurance exchange. Our uninsured population has declined from 30% percent to 9 percent in two years. And ALL of our children, are covered by the Healthy Kids program or by private insurance.

We rank 4th among California Counties in overall health outcomes like length and quality of life and health behaviors.

Many Mental Health programs cut back during the Great Recession have been restored and new programs have been added. Last year, Measure A dollars funded the start-up of The Clubhouse, a successful mental health program for adults. We've also expanded

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the “SMART” Teams that provide crisis intervention and respite care for the mentally ill and we voted unanimously to implement Laura’s Law, adding to the toolkit of strategies to prevent needless tragedies.

While the number of people with access to healthcare has grown, the most vulnerable in San Mateo County are being squeezed out of the local housing market due to the economic vitality of our region and the lack of housing at all levels.

According to Bill Lowell, our former Housing Director, there are five numbers that tell the housing story.

Between the years of 2010 and 2014 in San Mateo County,

- 55,000 new jobs were added
- 2,200 new housing units were added
- 20 M square feet of office space was added to the development pipeline
- \$2,800 /mo. is the average rent for a 2-bedroom apartment, and
- \$53.00/hr is the salary a person needs to earn to maintain a housing cost burden of 30%

This is a problem for the entire County and all of its cities and employers. It threatens the diversity of our communities, the viability of our businesses and erodes our quality of life. Here are just two significant reminders.

- Our roads are more crowded because people are traveling longer and longer commutes.
- Many service workers, teachers and public sector workers are moving further and further away in search of an affordable place to live. Fully 20 percent of our people are struggling to get by—working two and three jobs to make ends meet.

The good news is that to date, the County has allocated \$19.1 million for the creation of 603 units supporting families, veterans, seniors, very-low income, and the mentally ill.

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We've also allocated \$3 million in Affordable Housing funds for 300 homeless shelter beds. Another \$7.8 million will be distributed later this year. In January, the Willows Housing Project for veterans on the VA Campus in Menlo Park opened its doors to 60 veterans.

In March, the University Avenue Senior Housing Project broke ground. It will add 41 units of housing for seniors in East Palo Alto. And later this month, the Sequoia/Belle Haven Project will break ground adding 90 affordable apartments for Seniors in Menlo Park when complete.

Lots has been done, much work is underway but there is still much to do that lies ahead.

**How well do we communicate, collaborate and cooperate with partners to serve all of the people of our county?**

Let me illustrate this point by shining a light on the work of my colleagues because my colleagues—while they couldn't be more different from one another—they are an amazing group and I am so proud to serve with them!

**Supervisor Dave Pine** has taken on the urgent issue of sea level rise. He is a leader in creating a planning template to address this issue and Dave is spearheading a nine county ballot measure aimed at Bay Restoration.

**Supervisors Pine and Groom** are leading the Peninsula Clean Energy project to deliver cleaner, greener energy options to local residents at competitive rates. Every city has signed on.

**Supervisor Carole Groom** is a champion for our kids. She's working on The Big Lift, a San Mateo County initiative to ensure the future success of our children by increasing reading proficiency from 50 to 80 percent by the time children enter 4th grade. What's new this year is that the Summer Learning Program at our libraries is being focused on entering first graders – we're starting reading interventions earlier.

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**Supervisor Don Horsley** as I mentioned before, is Co-Chairing the Closing the Jobs/Housing Gap Task Force with me. In addition, he has tackled farm labor housing initiatives for low-income workers and their families. As our coastal representative, Don's worked hard to save Surfer's Beach on Highway One from collapse as the erosion of the embankment supporting the roadway has reached a rate of over 1.5 feet per year.

**And, Supervisor Adrienne Tissier** in addition to seeing the work completed on the 11-year Maple Street Corrections Center project, has also coordinated the law enforcement and school communities to establish The Coalition for Safe Schools and Communities. This formed after the Beyond Newtown countywide convening with the goal of keeping our kids safe at school.

### **What does the financial data tell us about the county's financial health?**

The County's financial position is strong.

We are one of three counties in the State to earn a Triple A credit rating from both Moody's and Standard and Poor's. We reduced unfunded pension and retiree health liabilities. Right now, the retirement system is more than 85 percent funded; we expect it to be fully funded in five years. And we are maintaining General Fund reserve levels at around 20 percent of budget.

Measure A, the voter approved half cent sales tax measure is making it possible to build a new Public Safety Dispatch and Emergency Operations center, new fire stations, a new mental health facility and several library improvement projects.

I hope you can see that our communities are safe, our financial position is solid, that we take care of the less fortunate and we collaborate with anyone who wants to help solve problems.

Someone once said, "There's nothing more intoxicating than doing big, bold things. And as we think about what kind of future all of us are trying to build, I'd like to leave you with three bold initiatives that I invite you to consider.

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First, affordable housing is on everyone's radar. It's a crises. We have taken important steps to address this issue but what if cities in the County created an affordable housing impact fee and agreed to share a portion of that money with HEART, a JPA that provides early seed money for affordable housing projects. If done, this action alone could generate millions and millions of dollars and in turn, HEART could loan out that money to help get projects off the ground.

Next, traffic is on everyone's radar. What if we opened the Dumbarton rail corridor which runs from East Palo Alto to Redwood City as a light rail system and connected it to the North/South Caltrain system? This would get a significant number of people off our congested roads and would yield a cleaner environment.

And as Joint Venture Silicon Valley has said, a world class wireless network is one of the keys to robust economic development. Right now the network that exists in our region is anything but world class. This shouldn't be the case in the innovation center of the world. Our businesses, schools, families, non-profits and our kids deserve a future where all households have world class access. Period.

As leaders, we make choices everyday - through action or inaction. I think we have chosen action and the state of our county is strong because of it.

Let me close with an old African proverb that we should be reminded of from time to time. It says, "If you want to go fast, go alone, but if you want to go far, go together." Surely our destiny will depend on how many of us choose to join forces and confront the challenges of our time! That's why we're here. Thank you. Enjoy the seminars.