

STATE OF THE CITY ADDRESS DECEMBER 2008 – MAYOR TRISH KELLEY

Good evening Mission Viejo. I'm Trish Kelley. It has been my privilege to serve as your Mayor this past year, and I am pleased to give the annual State of the City Address. During this program, I will highlight some of the notable accomplishments that were completed by our fine City during 2008. This year was extra special, because Mission Viejo reached an important milestone – the 20th Anniversary of city hood. Much has been accomplished during the past 20 years and this year was no exception.

The citywide 20th Anniversary celebration included the Grand Opening of the renovated and expanded Norman P. Murray Community and Senior Center, numerous special events and memorable programs throughout the year. Julie Foudy, Mission Viejo Olympian and soccer legend, helped us kick off the celebration. Hundreds of images were submitted by our residents for the My MV photo gallery that was on display along the Oso Creek Trail. And many of you participated in the Torch Walk which was led by MV Nadadores Olympians.

Our traditional Bunny Days included a dramatic entrance by the Bunny, who jumped out of an airplane and arrived safely by parachute. The week also included a concert by the 1st Marine Division Band, an evening with Kevin Fagan, the cartoonist for Drabble; a presentation by author David Rosenfelt; the burial of a time capsule and showing of the movie "Back to the Future". The week wrapped up with Artes de la Vida, a concert by the South Coast Symphony and the grand finale included the grand opening of Norman P. Murray Community and Senior Center.

This facility now offers more interior space with adjacent outdoor terraces, seating capacity for 400, more restrooms and parking, an additional kitchen and wi-fi is available throughout. The grounds include a new playground, 2 soccer fields, public art, access to the Oso Creek Trail system and the new Veterans Memorial Plaza with a recently dedicated bronze relief.

The KSBR Birthday Bash came back to Mission Viejo in May with an estimated two thousand people in attendance.

In August, the Target Symphony in the Cities returned to Mission Viejo at the Village Green with a free concert by the Pacific Symphony.

In September, another tradition was brought back to Mission Viejo with the Orange County International Triathlon, which began and ended at beautiful Lake Mission Viejo. In honor of the City's 20th Anniversary we completely redesigned the Outlook newsletter and Leisure Time brochure. The celebration will culminate on New Years Day with the revival of a former Mission Viejo tradition, a float in the Tournament of Roses Parade.

In this 2008 State of the City Address you will see examples of municipal service delivery at work, some fantastic special events, and a summary of completed capital and infrastructure improvements.

In order to make all of this possible, Mission Viejo maintained effective and conservative fiscal practices and continued to do strategic long range financial planning, which includes the 7-year Master Financial Plan, the 7-year capital improvement program and a 2-year budget cycle.

Financial Info

The City ended the fiscal year in June 2008 with total discretionary reserves of more than 30 million dollars. This level of reserves represents 58% of our general fund revenues, a level that is significantly higher than most other cities. Of this amount, nearly \$20 million has been proactively set aside for the rehabilitation and replacement of our infrastructure and important physical assets. We successfully increased the amount set aside for asset rehabilitation and replacement by nearly five million dollars this year.

Since its incorporation 20 years ago, Mission Viejo has had a strong and well-diversified tax base. The tax base has performed extremely well in good economic times, and has weathered the slower economic times.

Property tax revenue is Mission Viejo's single largest source of revenue. Over 40% of our revenue comes from property taxes. The City receives only about 12 cents of every property tax dollar paid by Mission Viejo property owners. Despite the slowing real estate market throughout the area, the combined assessed value of all properties in Mission Viejo and the property tax revenue the City received both grew by 6% in fiscal year 2007-08.

In today's economic climate it is important that everyone be careful with their resources and wise about expenditures. You can do your part by supporting local Mission Viejo business whenever possible. Every little bit helps such as doing your weekly grocery shopping here, buying gas in town, choosing to eat out at Mission Viejo restaurants, doing your holiday shopping here, purchasing big ticket items like vehicles from local auto dealerships, and by investing in the real estate opportunities in our community. Local sales tax and property tax revenues help to fund municipal services that help maintain the quality of life we enjoy in Mission Viejo.

Keeping this community safe is our #1 priority. Public Safety services in Mission Viejo are provided through a contract with the Orange County Sheriff's Department, an agreement with the Orange County Fire Authority and emergency medical transportation services by Medix Ambulance.

As you can see from the upcoming stats, they are continuing to do a great job for us! Over the past six years, Mission Viejo has experienced a 22% decrease in Part 1 crimes which include murder, rape, robbery, assault, burglary, theft and auto theft.

These figures are even lower than last year when we were recognized by the CQ Press for being the safest City in the nation among similarly sized cities. That's great news for Mission Viejo!

The number of injury traffic collisions dropped again this year. Since 2000, the number of injury traffic collisions has steadily decreased approximately 60%. Mission Viejo Police Services also provides a variety of successful educational and safety programs through the crime prevention unit. A new program was added this year. It's the Parent Project --a 10-week program for parents. We also added two School Resource Officers.

Earlier this year, the City Council approved a Social Host Underage Drinking and Consumption Accountability Ordinance. This ordinance will hold the host accountable and provide penalties if alcohol or illegal substances are provided to minors. We believe this will deter the growing practice of underage drinking which occurs at home parties, and will thus create a safer environment, reduce alcohol related accidents and other potentially tragic consequences, and will enhance quality of life in our neighborhoods. Mission Viejo was the first City in Orange County to adopt a Social Host Ordinance, and we have been approached by other cities in Orange County and around the State who are interested in looking at our model for consideration in their own cities.

In October, nearly 5,000 people in our community celebrated the 20th Anniversary of the Walk Against Drugs during Red Ribbon Week. I love this event because it brings people together and helps to give our youth the courage to say no to tobacco, alcohol and drugs. This year the Walk also included an emergency preparedness fair, co-sponsored by Supervisor Pat Bates, with exhibitors and info for you. Thanks to our parents, teachers and dedicated volunteers, we continue to see the benefits of our Community of Character program in action at school, on the sports fields, in scout troops, church groups and through thousands of donated hours of volunteer service in Mission Viejo. Thank you so much!

Transportation is another important priority. The City continues to anticipate the need for additional street improvement projects and traffic signal synchronization so the infrastructure can be designed, bid and completed ahead of anticipated growth in traffic. The widening of Crown Valley Parkway will be completed this year. Now we have two additional east-west lanes, from Puerta Real all the way to the eastern City limits. And additional turn lanes were constructed at 3 intersections along Crown Valley Parkway. Median, slope and parkway landscape enhancements will continue into the spring of 2009.

Crown Valley Parkway carries 78,000 vehicles a day which is more than any other street in South OC and second only to Beach Blvd. There is significant residential and commercial development that's already been approved by the County for areas east of Antonio Parkway. When that development is completed, Crown Valley Parkway is estimated to carry about 89,000 vehicles per day. That's almost as many vehicles as some of the local toll roads carry each day.

Thank you for your patience during the construction to widen Crown Valley Parkway. Now we can enjoy the improved access to Mission Hospital, the Shops at Mission Viejo and all of the businesses along this corridor.

As the Crown Valley Parkway widening project nears completion, construction will begin next at the intersection improvements at Oso Parkway and Marguerite Parkway. Then the widening of La Paz road between Muirlands Boulevard and Chrisanta will begin.

Mission Viejo continues to implement traffic signal coordination improvements. In 2008, we partnered with the OC Transportation Authority, the County, Caltrans, and the cities of Aliso Viejo, Laguna, Hills, and Laguna Niguel to implement a regional traffic signal coordination program along the Oso Parkway corridor. Based on the success of the Oso Parkway project, similar signal coordination projects will be implemented along Alicia Parkway next year.

In addition, traffic signal preemption devices were installed at 14 intersection locations throughout the City to help emergency vehicles reach their destination swiftly and safely.

Did you know our City resurfaces each residential and arterial street every seven years? During 2008, more than 27 miles of streets were resurfaced! The 2008 resurfacing projects included the overlay or slurry seal of over 150 residential streets in the Aegean Hills and Dean Homes areas, and the overlay of Olympiad Road from La Paz Road to Jeronimo.

Mission Viejo is continuing to thrive as a business community with new construction, new tenants, and new restaurants. We are fortunate that seven luxury auto dealerships have chosen Mission Viejo to be the home for their business. These businesses are a major source of revenue for the City's General Fund that is the funding source for many municipal services. I encourage you to shop Mission Viejo for your next new, pre-owned or leased vehicle to keep your tax dollars in town. Don't miss the opportunity to see all of the 2009 models that are now available.

The new Acura Mission Viejo auto dealership on Marguerite Parkway, south of Avery Parkway is now open! They demolished the original facility and built a larger, state-of-the-art facility to better serve our community and the surrounding region.

Park Place Lexus Mission Viejo is moving forward with some magnificent expansion plans. They are planning to significantly expand the existing dealership on an adjacent parcel of land.

Development continues as Mission Hospital reinvests in our community as part of an approved 25-year master plan. The entry drive at Mission Hospital's upper campus off Medical Center Road has been reconfigured to align with the existing entrance to The

Shops at Mission Viejo, and a new traffic signal has been installed there. Mission Hospital's new four story acute care tower is currently under construction and should be completed next summer.

Renovation, redevelopment and new construction projects are popping up all over town. You may have noticed a new retail building under construction at the corner of Muirlands Boulevard and La Paz Road. The upscale architecture of this 5,000 square foot building will enhance the original gateway entrance into the city from La Paz Road. The Mission Viejo Freeway Center, said goodbye to Comp USA and welcomed a new tile and stone retail store, called Arizona Tile.

Ayres Suites Hotel is nearly finished with the construction to add 92 rooms. And a new parish hall is being built at St. Kilian Church on Estanciero.

The former Weber's Bakery building at Alicia and Via Fabricante has been transformed into a new retail center and a new Rubio's Fresh Mexican restaurant is now open.

Mission Viejo Garden Plaza, at La Paz Road and Marguerite Parkway, received approval to remodel the exterior façade and provide landscape improvements. Watch for these renovations in 2009.

The Gateway Center has been repainted and plans are underway for additional landscaping improvements and enhanced outdoor patio areas. A very popular new restaurant called Mustard Café opened in the Gateway Center earlier this year. They are open for breakfast, lunch and dinner.

A new, Mexican restaurant called Café Maiz opened this year on Puerta Real near Sport Chalet. This restaurant also has an outdoor patio area for special events.

Further to the north at Jeronimo Road and Los Alisos, the City recently approved a Sonic Burger restaurant with a drive-thru and car hop service. The former Mobil service station has already been demolished and construction on the new restaurant should be in progress soon.

The Mission Foothill Marketplace on Los Alisos Boulevard near the 241 toll road has approval for two additional restaurants . . .Simply Fondue and the Grill Hut. I hope you will remember to invite your friends and family to the many unique restaurants the City has attracted to our community.

City planning also includes the promotion of environmentally friendly policies and programs. In February, we made the City's Green Building 2-Year Pilot Program permanent. We also implemented a new Solar Energy Education Program, and waived permit fees for solar installations.

We are now offering a new home paint program, funded by federal community development block grant funds. Mission Viejo assisted 11 homeowners for a total construction cost of just under \$45,000.

In an effort to become more active and involved in regional planning and transportation matters, the City of Mission Viejo joined the Southern California Association of Governments (a regional planning agency).

In February, the City implemented a moratorium on rezoning and development of Mission Viejo Recreation/Open Space in response to community concern over the potential development on the Casta del Sol Golf Course and in order to be proactive in planning and protecting our City open space.

We expanded the number and variety of low cost Business Workshops in Mission Viejo, at no cost to the City, with representatives from EDD, SCORE and the OC Small Business Development Center.

The free small business consulting services were so popular, we expanded the hours so more small businesses could participate. If you want to start a business or need some advice about how to expand an existing small business, this is the program for you!

We welcomed many new businesses to town and celebrated by presenting City Certificates during the ribbon cutting ceremonies in honor of each grand opening.

The City hosted a business reception and the first annual Health Industry Showcase which brought over 100 business people to the Norman P. Murray Community and Sr. Center. These events provided an opportunity for the City to showcase this wonderful City facility and the facility rental options available.

Three successful Chamber of Commerce Mixers were held this year. The Mixers brought many local business leaders together, strengthened the economic base in our community and helped grow the Chamber. Plans are under way for us to host the first MV Small Business Administration Day for local businesses.

Now I'd like to tell you a little bit about some interesting programs for senior, youth and our community as a whole:

Services through the Senior Dial-A-Taxi program have been extended to 2010 with a California Yellow Cab contract. This new service supports the transportation needs of the most "at risk" older adults in our community.

Attendance soared at Kid's Factory, a drop-in recreation program that is available to all Mission Viejo residents. Six additional school sites were added for the 2007-08 school year and participation increased by 23% over last year.

Last month City employees participated in a simulated disaster exercise as part of the on-going training to be as prepared as possible. MV is participating in the Alert OC reverse 9-1-1 program. This is an emergency notification program for our residents and others who choose to sign up to receive messages. This year the City also developed a Disaster Recovery Plan with offsite collocation in San Diego. The City is implementing the latest technologies to ensure that data won't be lost in the event of a disaster.

The City launched a new design and improved our Web site and we even have our own blog too. You can access City Council agenda reports and minutes, live or archived Council meetings; you can make reservations to use recreational facilities; see geographic information properties in Mission Viejo via the GIS system; adopt a pet; or renew their pet licenses. Visitors can also access a full range library services.

This summer, over 2,900 children, teens, and adults participated in the Mission Viejo Library's annual summer reading program. The participants also spent over 29,000 hours reading during the six-week program.

This past year the Mission Viejo Library's annual circulation increased by 11% and the collection grew to close to 170,000 items. The Friends of the Mission Viejo Library donated over \$131,000 this year.

The City continues to place a high priority on environmental outreach in areas of water quality, pollution prevention, and recycling. We hosted over 500 third grade students at City Hall for an Environmental Fair where the children learned how their actions effect our environment.

We also collaborated with the Ocean Institute, to develop a watershed education program designed specifically for 6th grade students. The program is designed to help students make the connection between their everyday actions and the health of our waterways and ocean.

The 20th Anniversary Celebration will conclude with the return of a Mission Viejo tradition, participation in the Tournament of Roses Parade. Over 2,000 volunteers helped decorate the float and over 300 residents participated in the contest to win a spot on the float. The float includes iconic elements from the landscape of our community and celebrates hometown family entertainment through youth sports, our Olympic heritage and our Veterans.

Our community float has brought our residents, our businesses, and our community groups together on this special project. Thank you all for helping to bring the MV float to life with dry flowers, seeds, glue, and beautiful roses! And don't miss the float as it makes a Splash in the Tournament of Roses Parade in Pasadena on the morning of New Years Day!

2008 turned out to be another great year in our history. Thanks for watching this special video presentation that was produced by our very own Mission Viejo Television.