



Speak Up Newport Mayor's Dinner

February 8, 2013

Remarks by
Keith D. Curry
Mayor

It is great to be back at the Speak Up Newport Mayor's dinner and to once again have the honor to serve as mayor of Newport Beach. I have often said that being mayor of Newport Beach is the best job in America and I look forward to serving this great city in the year ahead.

Since I was last on this stage in 2010, our city has been very ably led by two of my colleagues; Mayor Nancy Gardner set a great tone for our community last year, shepherding us through some difficult decisions and working to keep our city strong with grace and skill. No one better typifies the traditions and heritage of our city than Nancy. She was an outstanding mayor who left the city in tremendous shape.

In 2011, Mike Henn served as mayor while reorganizing our committees, addressing our personnel structure, and implementing a compensation policy that has measurably reduced costs to the taxpayers. In addition, he set in motion strategies to revitalize several of our most challenged communities.

Prior to me, Ed Selich served two terms as mayor with distinction, where he brought the city together, healing old wounds and set us on a course to dedicate our new civic center in just a matter of weeks.

Rush Hill, our new mayor pro tem, has applied his skills as an architect to revitalizing our neighborhoods and promoting economic growth in our city.

And Leslie Daigle works day in and day out, representing her district on the Council.

This year, we welcome Tony Petros to the city council and I know Tony will serve with distinction. He is already brimming with ideas to make Newport Beach a better city. Tony, to paraphrase President Kennedy, I am sure you will have the experience of all new council members. You will spend the first six months wondering how you got here and the next six months wondering how the rest of us got there.

Going back to former mayors Tod Ridgeway, Don Webb and Steve Rosansky, I have truly been blessed to serve with a remarkable group of colleagues during my time on the council and we share in our accomplishments together as a team.

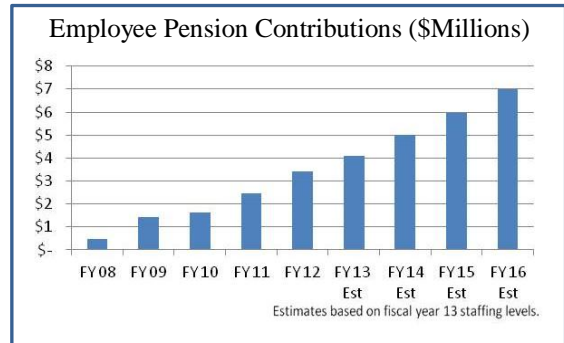
Now to the state of the City:

I am pleased to report that the state of our city is financially strong, economically vibrant and united in its efforts to move forward.

In 2010, we were just commencing the painful process of fully addressing the impacts of the recession. The council adopted a Fiscal Sustainability Plan to guide our efforts. Today, three years later, we can look back at the collective actions taken by the city council and we can evaluate the success of our strategies:

Since 2008, we have reduced our workforce by 84 positions or 10%. Our workforce is now at levels not seen since 2000 and the annexation of the Newport Coast. Yet, we have preserved services and, to most residents, the reduction has been imperceptible.

Since 2007, our annual employee contributions to pension costs have risen from 0 to about \$7 million when current contracts are fully phased in. For most of our bargaining groups, we have already exceeded the threshold of employee contributions established in the governor’s much heralded pension reform legislation.

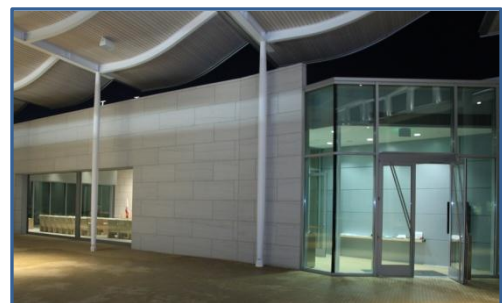


These achievements have been accomplished through mutual respect and cooperation with our bargaining units, albeit through tough and difficult negotiations, and not through the demonization of our employees, ineffectual pronouncements or political posturing. They have also been achieved without our unions resorting to “hardball” intimidation tactics used elsewhere. I want to salute our employees for their cooperative attitude in working with the city through a series of negotiations to keep us on sound financial footing.

I would be remiss if I did not also acknowledge the contributions of our City Manager Dave Kiff and our great team of department heads. Together, they have managed through the recession with skill, compassion and innovation. You all should be very proud of them as well. As we will hear, more needs to be done, but we’re making good progress.

Unlike some cities, your city council made a very conscious decision that we will not use our reserves to balance the budget. As a result, our reserves grew each year throughout the recession to the highest level in the city’s 107-year history, in excess of \$100 million.

Over the past five years, leveraging the favorable reductions in the construction cost index, historically low interest rates, success in obtaining development fee revenues- mostly through the fine work of council members Ed Selich and Steve Rosansky - we have embarked on a facilities program that has delivered the Newport Coast Community Center, a nationally recognized OASIS Senior Center, and two new parks- with three major parks on the way. In conjunction with the county, we opened the Santa Ana Heights Fire Station and soon, we will open the new civic center. This stunning complex will include the fifth largest park in the city, a 17,000-square-foot expansion of our library, needed parking, a community room, an emergency preparedness room and, of course, a new city hall.



To quote Councilmember Henn, “We are providing for the needs of our city for the next four generations.”

We will relocate our city offices in the next few weeks and hold May fourth, for the community celebration and open house.

Remember those who have derided this project, who have implied through their comments and writings that the library expansion should not have been built, that we did not need to provide a parking structure, that we have enough parks or that a tilt-up building on the cheap is what should have been built for city hall. I think those folks will be hard to find come summer.

For the first time since President Franklin Roosevelt funded the initial dredging of our harbor, we have completed the dredge of upper bay and will soon complete major and comprehensive dredging of lower Newport Bay.

This year, we will complete the \$6 million traffic signal synchronization program that has measurably improved mobility within all areas of our city. Today, we guide traffic through our intersections with real-time adjustments via closed circuit cameras. Yes, there are people back at City Hall who help shorten your commute as it happens.



City Hall Traffic Management Center

The Fiscal Sustainability Plan included not only policies for how the city manages itself, but how it supports the healthy underlying economy of our city. Our financial strength and stability were recognized by all three major bond rating agencies who have assigned AAA underlying bond ratings to Newport Beach, one of only five such cities in California. These ratings were reaffirmed last year as those of several other cities were lowered.

In 2010, the most blighted location in our city was arguably the corner of Dover and Coast Highway. Today, several small businesses thrive and a new retail and dining center is under construction.

In 2010, our development services were routinely cited as being the worst in terms of customer service. Today, they have been reorganized under new leadership and have won the “Turning Red Tape into Red Carpet” award from the Orange County Business Council. The new City Hall will add further improvements with a One-Stop Permit Center that has all the permit assistance you need in one place.



Future One-Stop Permit Center

Despite the fact that nearly everyone in this room, including me, has seen their property values decline, on a citywide basis, our assessed valuation actually grew each year during the recession.

Because of massive private-sector investments by The Irvine Company with the Pelican Hill Resort, the makeover of Fashion Island and the construction activity in Newport Center, our hotel taxes are at an all-time high and our sales taxes are moving toward pre-recession levels. This year, we will welcome several nationally known chefs such as Bradley Ogden and Rick Bayless as our city continues to expand its reputation as a world class dining destination with the opening of Lark Creek, Red O, and Fig and Olive.

Working in close conjunction with community leaders and local businesses, the City has focused its efforts on community revitalization in Balboa Village, Corona del Mar, West Newport and Mariner's Mile. These efforts are bearing fruit in tangible improvements to our neighborhoods and renewed economic activity.



The center piece of this effort will be the reuse of our old city hall site, bringing new vitality to the Lido Village neighborhood.

Looking back, the key for all of these success stories was the voter-approved General Plan in 2006. This visionary document set the framework for the renewal and economic revitalization of our city. As we look to the future, we should begin the steps to keep our General Plan fresh and effective as a tool to protect and enhance our quality of life.

Turning to our neighborhoods, while we are still in court defending the ground-breaking Group Home Ordinance, it has been successful in reducing group home concentration and the effect of concentration on our most impacted communities while still allowing good operators to do business.



The Association of California Cities Orange County awarded Newport Beach its "Golden Hub of Innovation" award for our efforts in partnership with the community to reduce the Fourth of July impacts on residents of the Peninsula and West Newport and to restore a family friendly atmosphere during this summer holiday.

For more than twenty years, the city council had ignored its state-mandated responsibility to adjust harbor rents to market rates. These adjustments were dramatic and difficult for many in our community, but they are necessary.

Now that they have been implemented, the city has a responsibility to invest even more in our tidelands areas to enhance the property values and quality of life of those who live and work on the bay. We have identified a \$29-million capital plan to do just that and we are moving forward to implement these improvements over the next five years.

We need look no further than Staten Island and New Jersey to see the impacts that a natural disaster can have on our coastal community. That is why we must make the investments to help make the harbor area safer, improve navigation, restore our sea walls and to continue with our recent safety enhancements such as our tsunami sirens and award-winning CERT programs. No one else, not the federal government or the state government, is going to step up and help us like we can help ourselves.

Under the leadership of Mayor Gardner, we have added bicycle sharrows and new signage to enhance safety of both bikers and motorists on our streets. Bicycle safety must continue to be a priority for our community and this year we will undertake a Bicycle Master Plan.



In conjunction with SPON and the Airport Working Group, we have been engaged with our colleagues at the county on the extension of our groundbreaking settlement agreement and we are moving forward with an extension plan that will keep the curfew and runway restrictions in place for an additional generation.

So, with all of this going on, we can be proud of our city and the steps we have taken over the past several years to create public value and to ensure our fiscal stability.

What then shall we do going forward?

In my new job as a college instructor, I spend a lot of time thinking about what concepts to impart to students on how to approach the creation of public value and to impact the quality of life in our cities.

I spent some time recently with Peter Kageyama, the author of “For the Love of Cities.” Peter writes that there is a pyramid of five expectations we have for our cities. At the very base level, we expect our cities to be Functional, to deliver basic services. Next, we expect them to be Safe, and indeed, Newport Beach is a very safe city. Next, Comfortable and Convivial. Here I think we do pretty well.

At the top of the pyramid, we expect our cities to be Interesting. Not all or even many cities achieve this level. This year, I would like to focus on some initiatives that will make the relationship between our residents and our city both more interesting and meaningful.

First, we need to take a look at how we communicate. This spring, we will introduce a Newport Beach mobile app so you can connect with the city no matter where you are to see meeting schedules, report graffiti, or connect with city services. Building on our recent revamping of our web site, we want to make accessing the city easy and fun for all of our residents.

We will also work with the community on a rebranding of Newport Beach TV to engage residents on the issues they care about most.

As mayor, I may take to the newspapers more frequently to explain some of the actions taken by the city council and I will continue the Meet the Mayor series that we began in 2010.

All great cities have in common a commitment to public arts. We have an outstanding Arts Commission and tremendously talented people in our community. Our Film Festival, arts shows, drama and concerts in the parks, are the envy of many. In the months ahead, both the Balboa Theater and Explore Ocean will be undertaking major efforts to enhance the cultural offerings of our city. These important investments will be substantially funded by private contributions. But it is not realistic to expect private funds to fully cover all of the capital costs for these new investments. To ensure that new development contributes to the cultural enrichment of our community, I will propose to my colleagues on the city council that we set aside a small percentage of development-related fees to a special arts fund that can only be used for permanent structures or art installations. This will not raise fees one penny from their current levels, but it will establish Newport Beach as a community that respects the arts and invests in assets that will truly create public value for years to come.

We are blessed to have several resources in our city that are managed by the state or county. The Muth Interpretive Center, Back Bay Science Center, Crystal Cove State Park, are but a few examples. This year, I want us to more fully integrate these magnificent assets into our civic experience. These resources are too important to be ignored simply because some other agency owns or runs them.



Crystal Cove Cottages
Photo Credit: Visit Newport Beach

For the past two election cycles, we have used the opportunity to update our city charter to make our city more efficient, to protect taxpayers and to eliminate language that has been overtaken by time and technology.

Not only our city charter, but our municipal code can get old with time. For example, it may surprise you to note that in Newport Beach it is illegal to swim near Adams and Edgewater or that you must pay a fee to have a going-out-of-business sale.

I will be asking our city attorney and city manager to bring forward a list of municipal ordinances to be considered for repeal. Successful governance is more than just passing more laws and saying “no”. It is asking what laws should be repealed to enhance freedom and improve our community.

We are moving forward with optimism and determination to keep our community the shining city by the bay that it is.

This does not mean that we are without our challenges:

While we have made substantial progress in reducing city costs, the increases in pension costs are growing faster than our efforts to reduce them. If we are to meet our capital facility needs, we must continue to reduce our operating costs and make our city even more efficient. In 2013, we will carefully consider key services such as residential trash collection and jails for contracting

out. This will happen methodically, carefully, and with significant community input. We will seek ways to avoid the cost of replacing high-priced vehicles and equipment through the use of private resources. The council is committed to both reducing our costs, and in maintaining our high level of services.

The decision by the state to realign public safety services and return thousands of state prisoners to the counties is presenting unprecedented challenges to our colleagues at the county and to each city in the state. We are fortunate that crime is at a 40-year low in Newport Beach. But we must all be diligent in our enforcement to be sure that this decades-long trend is not reversed by the state's action. We will be investing in additional communications and other technology to ensure we are state-of-the-art in our crime prevention methods, and our chief, Jay Johnson has already reorganized the department to put more officers on the street.

I encourage all of you to do your part through neighborhood watch, the Citizen's Police Academy program, the RACES radio communication teams, or our national-award-winning CERT program to play your role in making our city safer.



Our fire and lifeguard services routinely save thousands of lives each year. One example is Firefighter Thomas Herr. A frantic mother brought her 2-year-old daughter, not breathing, turning blue and unconscious to the Balboa Island Fire Station where Tom administered lifesaving treatment, dislodging a quarter from her throat and reviving her in time to save her life. These stories occur routinely in Newport Beach.

Our new fire chief is looking at how we can deploy our resources in the community to respond even faster to emergency medical calls, and our fire marshal has worked with the state to help make our canyon communities even more fire safe in the case of a natural disaster.

Public safety will continue to be provided at the very highest levels in our community.

And so my friends, what can we collectively do to make Newport Beach an even greater place to call home?

All successful cities are characterized by the energy and involvement of their citizens.

This year, I encourage you to adopt one of the many fine projects seeking support in our community: the Balboa Theater, ExplorOcean, Balboa Island Museum, Environmental Nature Center and OASIS Center, our Library Foundation, Arts Foundation or one of the many youth sports programs to name just a few worthy causes. Newport Beach is a rich and generous community, look for and find a way you can participate in making it an even finer community and leave a legacy for your children and grandchildren.

In doing so, you will be like our forefathers, who envisioned a harbor, built islands where none had existed, persuaded their neighbors to pass a county-wide bond issue, welcomed tourists from

far away Pasadena, envisioned an award-winning urban center, and created one of the nation's best municipal libraries.

Engage in your community. The various neighborhood and community associations, chambers of commerce, CERT programs, Junior Lifeguards, Sister City committee, Coastkeepers, Newport Bay Conservancy, Surfrider Foundation, Friends of Harbors Beaches and Parks, Crystal Cove Alliance, Yacht Clubs, service clubs and similar organizations allow each of us to find a way to express our opinions and serve our community.

Find a way to serve others. Now more than ever in our nation's history, our fellow countrymen need the help of those of us so fortunate to live here. Our community churches, synagogues, service clubs and charitable organizations serve needy people throughout the world. I have seen what our community has done in response to disease, hurricanes, earthquakes, floods and other natural disasters throughout the world. I know just how generous the people are, who inhabit our city. And aren't you proud to read of the individual efforts of our exceptional local students who catch a vision of service bigger than themselves and with an entrepreneur's skill, create a plan to meet the needs of others. Students like 10-year old Vanis Buckholtz, of Harbor View School, who became concerned about the level of trash in the community and started a recycling business in Corona del Mar. He donates a portion of his proceeds to less fortunate children. Vanis and students like him serve as an example and inspiration to all of us.

Above all, don't succumb to the temptation to be part of the cynical and disengaged who, in their efforts to criticize and find fault, fail to appreciate that we live in America's greatest city. As I said in 2010, together, the best days of our community lie not behind us but in our golden future. I am excited, we have a job to do, let us get to it.