

# State of the City

Mayor Beth Krom



January 22, 2008

We would like to thank the following  
individuals and groups for participating:

**Presentation of Colors**

*Irvine Police Department Color Guard*

**National Anthem and Musical Interlude**

*Northwood High School's "Something Accidental"*

*Under the Direction of Zach Halop*

**Reception Musical Ensemble**

*Irvine Young Concert Artists*

*Conducted by Albert Wu*

**Chamber Music - Harp Solo**

*Barbara Schilling*







**Mayor  
Beth Krom**



**Councilmember  
Larry Agran**



**Councilmember  
Steven Choi**



**Mayor Pro Tem  
Suhkee Kang**



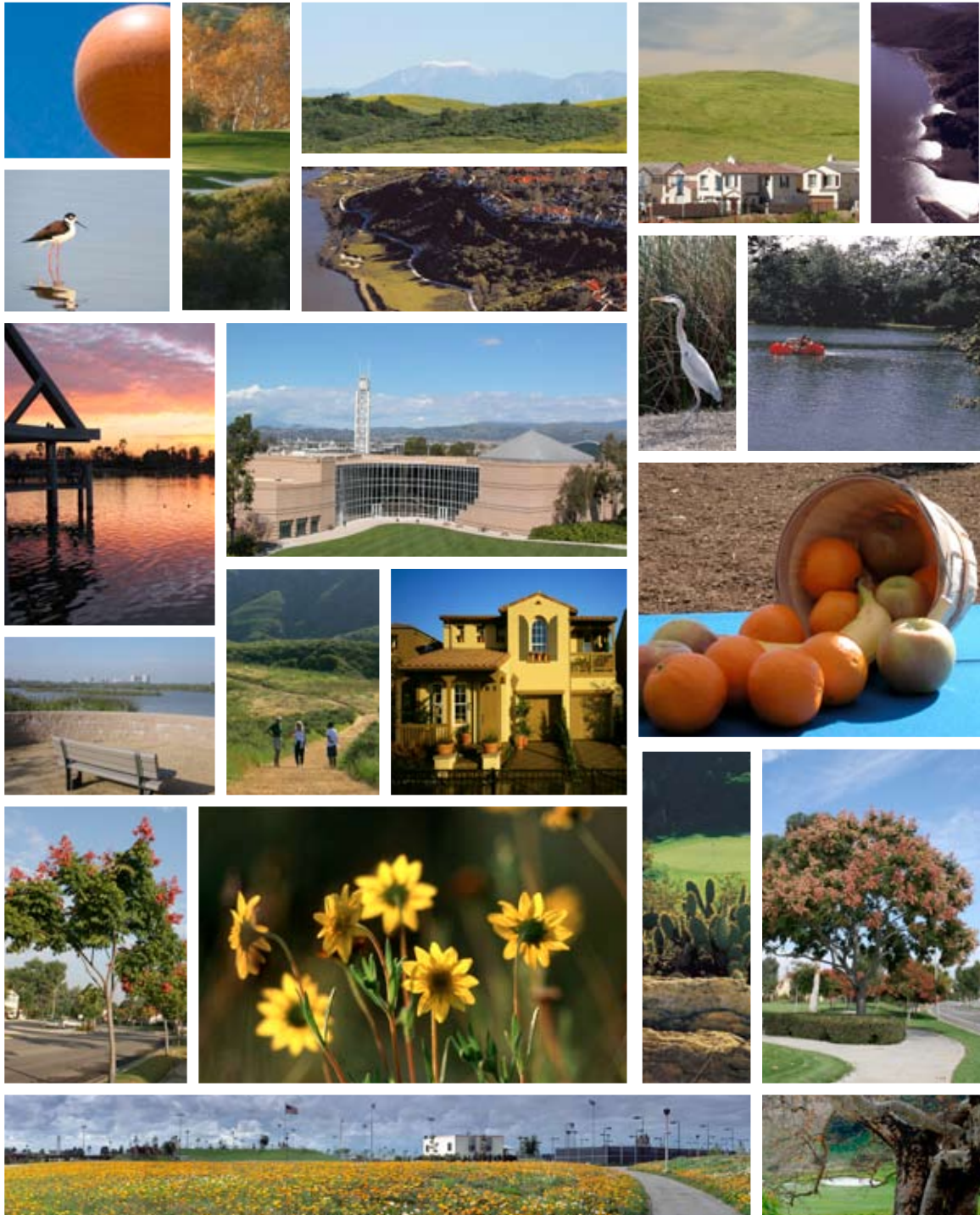
**Councilwoman  
Christina Shea**



**City Manager  
Sean Joyce**



**Chief of Police  
Dave Maggard**




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## Irvine Civic Center

1 Civic Center Plaza  
Irvine, CA 92606-5208

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*The City of Irvine has a population of 202,000, spans 65 square miles and is recognized as one of America's safest and most successful master-planned urban communities. Top-rated educational institutions, an enterprising business atmosphere, sound environmental stewardship, and respect for diversity all contribute to Irvine's enviable quality of life. This family-friendly city features more than 16,000 acres of parks, sports fields and dedicated open space and is the future home of the Orange County Great Park – the first great metropolitan park of the 21<sup>st</sup> century.*



# State of the City 2008



*“Young or old, native born or naturalized citizen, let us remind you that your vote is your voice and we want everyone to have a voice in the future of our Country, our State and our City.”*

*– Mayor Beth Krom*

# 2008 State of the City



Every city has a story to tell and a history to record. Our city has a story like no other and each chapter seems to build upon the last. As we enter our 37<sup>th</sup> year of cityhood, we find ourselves in perhaps the richest and most dynamic phase of our municipal life. Even in the midst of a national economic slow-down and the challenges presented in the wake of the down-turn in the housing market and the sub-prime lending crisis, the strategic and fiscal planning model that has helped Irvine become a world-class city, remains secure and gives us confidence that we are well positioned to maintain and enhance the quality of our community in the years ahead.

Tomorrow I will go to Washington, D.C. for the U.S. Conference of Mayors and I will hear speakers reflect upon the increased challenges Mayors face when the national economy is depressed. The reality is that as more responsibility is placed on local government through policies enacted at the national and state level, the complexities of balancing municipal priorities become greater. Underperforming schools, violent crime, lack of municipal resources, the need for better programs for youth and seniors, balancing economic interests and environmental interests — not to mention the increased expectations placed on our communities in the aftermath of 9/11.

I admire the nation's Mayors and I am proud to be one of them. Today more than ever, it is clear that policies, initiatives and infrastructure projects advanced at the local level have the most significant impact on the lives of the citizens who live in America's cities. Quality of life may be impacted by decisions at the national and state level, but it is defined, in large measure, by decisions made at the local level.

As Mayor of Irvine, I am privileged to represent a

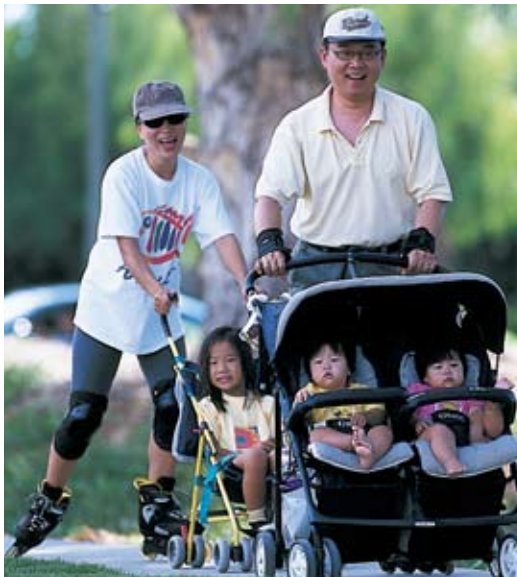
# Our Irvine Community

city defined by the quality of our people, our institutions and our ideas. Engaging citizens is integral to creating an active civic life in our community. Collaborating with education, business and non-profit partners enhances what we are able to achieve on behalf of our citizens just as managing and allocating our financial resources in a way that is strategic and sound enhances our ability to maintain our high community standards and implement our vision for the future

Without a strong fiscal foundation, we would not be the city we are today. So let me talk about the city's financial picture. Over the past year, we have continued to fortify our economic position, ensuring we will have the resources necessary to face the local economic challenges that are likely to accompany the national economic slow down. The fact is we are in an enviable position. Not only did we

produce a balanced operating budget of \$140 million for this fiscal year, we realized a \$9.3 million surplus allowing us to advance needed infrastructure projects and enhance public safety and emergency resources. And while some cities may be forced to reduce essential services should the tough economic times being forecast come our way, through sound planning, our Contingency Reserve has been bolstered over a two year period from 5 percent to 15 percent resulting in a dedicated "rainy day reserve" of \$20.8 million which we can comfortably draw upon should revenues slow.

Let me reinforce this point. Irvine has a balanced budget, our \$9.3 million carry over for fiscal year 2006-07 — of which \$2.8 million remains available as an additional source of emergency funding — has allowed us to advance needed infrastructure, public safety and emergency





services projects; we have increased our Contingency Reserve to \$20.8 million which represents a 15 percent buffer to help sustain all our essential services during an economic slowdown, and our Asset Management Fund, which has grown to \$66.7 million, produces annual interest income we invest in the long-term maintenance and enhancement of our municipal infrastructure while we grow the principle. In short, as I stand before you today, the City of Irvine is fiscally secure and recession ready.

Financial planning and sound economic policy are not just about managing the assets we now have, but also about planning for future facility and infrastructure needs for our city. For this reason, our City Manager has initiated a long-range planning process to ensure that, as the city continues to grow and mature, facility needs will be properly managed and enhanced. Even with healthy surpluses and balanced budgets, building the infrastructure necessary to support the needs of the people who live and work in

Irvine requires us to effectively leverage county, state and federal dollars — something Irvine has always done well.

The rewards of forward-thinking vision, sound strategic planning and innovative financing can be seen throughout our community. In 2007 we dedicated the new Quail Hill Trail Head and completed the Culver Drive Realignment. This year, we can look forward to completion of the new 1,500 space parking structure at Irvine Station and the advancement of other significant public works projects.

One of the largest projects in Irvine's history is currently underway and presents an excellent opportunity to illustrate the complexities of taking significant public works projects from concept to reality. When completed, the Jeffrey Road Grade Separation will allow traffic on Jeffrey Road to pass safely and more quickly under the train tracks that currently cross near Walnut Avenue. Equally important, Metrolink, Amtrak and freight trains will pass safely above. To underscore the true meaning of long-range planning, let me

point out that this project was included in The Irvine Company's original master plan and has been in an active planning phase for more than 15 years. When the Orange County Transportation Authority ranked the project as the second highest priority in the county ten years ago we received our first grant of \$9.8 million allowing us to pursue other funding opportunities and further advance project planning.

A project of this scale requires our public works staff to interface with more than a dozen agencies and to communicate with neighboring residential communities and nearby commercial properties. Ensuring that traffic continues to flow and the construction area remains safe and secured throughout the five phased, two-and-a-half year project is a key priority for the city and the community. Not surprisingly, costs can increase considerably while funds are being accumulated to move a project like this forward. Cost estimates 15 years ago were in the neighborhood of \$10 million.

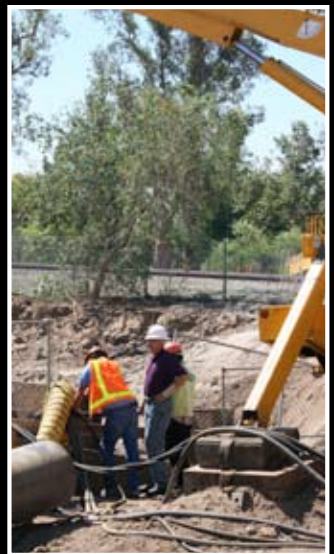
The cost of the project today is \$49.8 million. Fortunately, more than \$42 million in funding has been leveraged from federal, state and local grants. A lot of patience is required from local

residents and commuters when infrastructure is being built. The good news is that, once completed, the Jeffrey Grade Separation project will eliminate the noise and traffic delays associated with the railroad crossing gates on Jeffrey, and will reduce the need for train whistles as safety concerns are eliminated.

Let me reinforce an important point: our ability to leverage the obligations of local developers and favorably compete for county, state and federal grant dollars, is the reason we have been able to create the infrastructure necessary to support the mobility and recreational needs of our community, substantially increasing what we would have otherwise been able to accomplish had we been forced to rely on General Fund dollars alone. As a master-planned community in the heart of one of the most dynamic regions in our country, Irvine's success in planning strategically and effectively leveraging available federal, state and local dollars is among the many reasons we have gained recognition nationally and internationally.

Yes, we are growing. As a planned community, our growth has always been anticipated. With our

*“Once completed, the Jeffrey Grade Separation project will eliminate the noise and traffic delays associated with the railroad crossing gates on Jeffrey, and will reduce the need for train whistles as safety concerns are eliminated.”*





population now at about 202,000, we are the largest, and arguably, the most successful planned community in America. By definition, we are a big city — one of about 250 cities in America out of nearly 20,000 municipalities — with a population of more than 100,000 people. What I want to focus on is how we are growing. Thirty-six years after our incorporation as a city, we continue to grow according to plan.

When Irvine was incorporated in 1971, our city was largely a blank canvas defined by agriculture, a new university, and a few significant businesses. It was a landscape on the cusp of change. Today we are a dynamic community defined by our neighborhood villages and retail centers, two dynamic business hubs, a nationally-

recognized public school system, one of the top ten public universities in America, over 60 institutions of faith and major cultural institutions serving our diverse and growing population. Twenty years from now, the canvas will be filled in. And as today, the landscape will balance an award-winning network of parks and open space, hike and bike trails, active business hubs and a full spectrum of housing opportunities. Most cities grow without a plan. We are growing according to plan. And our planning success reflects our commitment to a “community-building” model designed to sustain and enhance the quality of our community for generations to come.

It’s all about balance. We must balance

*Pictured: (Top) The scenic beauty of Quail Hill. (Left to Right) Scenes from the dedication of the Quail Hill Loop Trail.*

residential and commercial development — the built environment — with parks and open space — the natural environment.

And as we celebrate the 20<sup>th</sup> Anniversary of the historic 1988 Open Space Agreement, we should express gratitude for the vision demonstrated twenty years ago, the value

of which we appreciate even more today. What other Southern California city our size can boast more than 16,000 acres of permanently preserved open space and a network of more than 50 community and neighborhood parks? And who would have imagined twenty years ago that we would have the chance to build upon that legacy of open space preservation by securing the opportunity to design and construct the first great metropolitan park of the 21<sup>st</sup> century — the Orange County Great Park — right here in Irvine, the heart of Orange County. With each phase of our municipal development, we have validated the premise that the quality of our future will ultimately reflect the quality of our aspirations.

With the launch of the Great Park Balloon on July 14<sup>th</sup> of last year, the first major feature of the Orange County Great Park, we demonstrated how dreams can soar. The 100 foot high, bright orange helium balloon lifts passengers up to 400' above the site. Since the launch, more than 35,000 people have taken flight, rising hundreds of feet above the Great Park property for an unparalleled view of Orange County and a chance to envision the Great

Park growing beneath their feet.

With the success of the Great Park Balloon, the Orange County Great Park

*“When our city was incorporated in 1971, Irvine was a blank canvas, a landscape on the cusp of change.”*

Corporation has advanced a plan to create a 27.5 acre “Preview Park” in the area surrounding the Great Park Balloon. The Preview Park will include public spaces for programming, picnicking, performance and passive recreation. Elements of the Preview Park will be unveiled later this year, enhancing visitor experiences and providing a further preview of things to come. If you haven't yet taken a ride, I encourage you to visit the Great Park Balloon site Thursdays through Sundays to get your own bird's eye view of Orange County. In the coming months we look forward to introducing night flights which will give riders a whole new perspective on the project, and on our county. Until the policy changes, rides remain free, so enjoy the ride!

Even after five years of active planning, I find that many people remain confused about where the resources to build the Great Park will come from. The City of Irvine owns the land and controls the financial resources dedicated to planning, design and construction of the Orange County Great Park. By City Council action, no General Fund dollars will be used to plan, design or construct the park.



There are currently three primary funding sources identified for construction of the Great Park: Development Agreement Fees; Community Facilities District Bond Proceeds and Tax Increment Bond Proceeds provided through the Redevelopment Agency. While the \$200 million dollars in Development fees have been received from Lennar, along with the gift of the Great Park balloon and operations funding for three years, a significant amount of the financial resources for construction of major park features will be generated as development occurs at the edges of the park. Some people have asked whether the downturn in the housing market, as it relates to Great Park financing, will impact the pace

of park development. The short answer is yes. A slower pace of development will mean that, while they will be produced over time, revenues to build the park will come in more slowly than originally anticipated. What will not be affected, however, is the commitment of the City Council and the Orange County Great Park Corporation to create the grand public park that has been envisioned in our adopted park master plan — the canyon and lake, the sports and recreational fields and cultural terrace, the botanical gardens and wildlife corridor — with extraordinary recreational, cultural and natural open space resources.

To further enhance funding for the Great Park, the City Council implemented an innovative Purchase, Sale and Financing

Agreement in 2007 that will generate an additional \$134 million dollars in funding for the Great Park. In addition, we are currently receiving about \$7.5 million in revenues annually through land leases for such things as green recycling operations and RV storage. With more than \$175 million in dedicated resources in the bank, the financial framework for the Orange County Great Park is sound. As stewards of the public land on which the Great Park will be built and the financial resources dedicated to its design and construction, we recognize the importance of balanced planning and innovative financing to the success of this once-in-a-lifetime project as well.

Let me borrow a metaphor that helps to put things in perspective... it's like we won the lottery, but instead of one lump payment, we are taking it in installments. All the assets and opportunities upon which the financial plan for design and construction the Orange County Great Park was predicated remain intact. What we are adjusting is the timing for construction. In the interim, the design and planning process continues, the Preview Park is evolving, a study of programmatic elements is underway, and enhanced public features will continue to be introduced on

an annual basis. While we have said it many times, let me reinforce the magnitude of the opportunity that is unfolding — the Orange County Great Park, built on 1,347 acres at the geographic center of Orange County, will be twice the size of New York's Central Park.

With the Governor suggesting the closure of 48 State Parks to help balance our State budget, we can be very proud that we, here at the local level, found a way to turn challenge into opportunity. To think that just a few years ago, the threat of an International Airport at El Toro loomed large. It was the determination of citizens throughout Orange County to advance a better vision that ultimately defeated that threat. The enthusiasm and active participation of Orange County residents continues to influence and enhance the park planning process today. Just last month, more than 2,000 people shared their ideas, their comments and their aspirations through a Public Open House and on-line survey. While the scale is much grander than any park we have ever built, the Orange County Great Park will certainly enhance Irvine's legacy of creating public space, open space, recreational space, cultural space and civic space for the



*Great Park balloon rides are currently free.*

*To check the flight schedule, please call 1 (866) 829-3829.*

*Enjoy the ride!*

**Thursday & Friday**

10:00 a.m. - 3:00 p.m.

**Saturday & Sunday**

9:00 a.m. - 3:00 p.m.

[www.greatparkballoon.org](http://www.greatparkballoon.org)



benefit and enjoyment of all.

There have been residual benefits to the Great Park planning process as well. The planning process for the Orange County Great Park has helped challenge, reinforce and further inspire Irvine's commitment to create a sustainable community and a comprehensive green vision. After all, it is not enough to build a 21<sup>st</sup> century park; we must continually advance our own environmentally sound municipal vision as well. Irvine has long been a leader in environmental stewardship, but with issues of global warming at the forefront of our national agenda, we must do all we can here at the local level to reduce carbon emissions and protect our precious natural resources.

We are fortunate to have good community partners working with us to advance Irvine's "green vision." The Irvine Ranch Water District remains one of the most innovative water agencies in America when it comes to water conservation and recycling efforts and the Irvine Unified School District is evaluating ways to make local schools more sustainable and partnered with the city in our "Cans for Cash" recycling programs which, with the help of students, teachers and administrators, generated more than 850,000 cans, with proceeds benefiting the Irvine Public Schools Foundation. I want to give special recognition to the University of California, Irvine. UCI has shared our vision for a sustainable Irvine,

*Pictured: (Top) Northwood High School, one of the many award-winning schools in Irvine. Pictured: (Right) Irvine residents, businesses and schools gathered more than 800,000 aluminum cans during the Cans for Cash: City Recycling Challenge.*



building new student housing to LEED standards, converting their entire shuttle bus fleet to biodiesel and supporting our partnership with the National Fuel Cell Research Center at UCI, including our ZEV•net electric car program at the Irvine Station and our test-driving of a hydrogen hybrid fuel cell vehicle. In fact, thanks to UCI, Irvine has

our own hydrogen fueling station at the corner of Jamboree and Campus, making us an important stop on the emerging hydrogen highway.

Currently, the City of Irvine is developing a 20-year energy plan to guide our efforts. By enhancing our environmental programs, we have challenged ourselves to do more at the municipal level and provided local residents and businesses with information and resources to support a community based approach to managing and enhancing our environment. We know that the impacts of human behavior on our planet are significant. We feel it all around us. Today we have the tools to generate energy with lower carbon emissions and we should encourage their use. We have recycling opportunities available as an alternative to overburdening our landfills. We know that the greatest challenge we face here in California is the diminishing water supply, so conserving water should be a personal priority for each of us. While global climate change remains a subject for debate, I am proud that, here in Irvine, we are working in partnership with our citizens, regional agencies, local utility companies and the business, development

and education communities to take actions which are beneficial to our health and well-being and to the health of our planet.

After passing Orange County's first

*“By enhancing our environmental programs, we have challenged ourselves to do more at the municipal level.”*

comprehensive Green Building Ordinance in 2006, Irvine's first homes certified under the Green Build program will soon be available in Woodbury East. Commercial properties are going green as well, with a new 12-story, 266,000-square-foot office tower at 2211 Michelson, constructed by Hines, that is the first office building in California to be pre-certified in the Leadership in Energy and Environmental Design Core and Shell program, sponsored by the U.S. Green Building Council. City buildings are going green as well. The building that houses our Great Park and Redevelopment offices at the Great Park site is LEED certified and the City's first LEED certified rehabilitation project, currently under design by the Community Services Department, will be the remodeled University Park Community Center. The City of Irvine has also committed that all future municipal facilities larger than 5,000 square feet will be constructed to LEED standards, allowing us to lower our energy costs, reduce greenhouse gas emissions and set a better example for the community.

Whether through the implementation of our Green Building Ordinance, our



distribution of compact fluorescent bulbs, adoption of a Zero Waste ordinance, enhanced recycling opportunities — including curbside e-waste recycling — municipal water conservation efforts in collaboration with the Irvine Ranch Water District, expanded use of alternative fuel vehicles or consideration of a solar shade structure at the William Woollett pool to generate clean, renewable energy, the historic effort we have made to be good stewards of the environment must continue to evolve to ensure that Irvine remains one of America’s greenest cities. As one of more than 700 Mayors nationwide who have signed on to the Mayor’s Climate Protection Agreement, I thank you for joining in our efforts to sustain the health of our planet and appreciate the support of the City Council and our City staff in continually challenging ourselves to do even more.

Irvine demonstrates that a healthy community and a healthy economy are not mutually exclusive. To maintain our success, we must strive to create a healthy

balance between our built environment, our natural environment, our business and residential communities and our local and regional transportation resources. Keeping these elements in alignment is a challenge, but it is a challenge we must meet if we are to maintain a healthy economy.

Irvine is a major business center in Southern California. Whole industries are centered here. We have major corporations and small retail operators, start-ups and Fortune 500 companies. Big names like Allergan, Broadcom, Verizon and The Capital Group and unique innovators like Blizzard Entertainment and Saleen. With our local economy fueled by more than 13,000 businesses and nearly 250,000 jobs, we recognize that “business-friendly” is about more than low business license fees or expedited permitting. For businesses to thrive, they must be able to attract and retain high quality employees, many of whom want to live close to where they work. Irvine’s reputation for education excellence and public safety helps with recruitment. With three and a half jobs for

*Pictured: (Top) The Irvine Business Complex is evolving into a mixed-use environment with residential, commercial and retail space. (Opposite) Irvine Guideway System map and artistic renderings of the new, environmentally-friendly “i” shuttle.*

every housing unit in Irvine, the demand for quality housing is high. That said, for those who must commute to their jobs in Irvine, access to transportation resources that help minimize their stress and maximize their time is critical. The same is true for Irvine residents who work outside our city and, in the absence of integrated transit resources, must commute long distances as well.

With our two major business centers — the Irvine Business Complex, or IBC, and the Irvine Spectrum — accounting for more than 150,000 jobs in our city, we have been focused in recent years on expanding housing opportunities near our job centers. Currently, about 6,500 people live within the IBC area and another 2,500 people live in the Irvine Spectrum. What is worth noting, is that about 40 percent of the people who live in the IBC or Spectrum, work close to where they live — many now able to walk to their jobs. Of those that commute, more than 10 percent of IBC employees commute via Metrolink, as do almost 20 percent of Irvine Spectrum employees.

Smart growth is about bringing

housing, jobs and transit together. Our vision of creating pedestrian-friendly environments with higher density housing, transit access, close to the job centers continues to evolve. Fortunately, the Tustin Transportation Center brings Metrolink commuters close to the IBC and the Irvine Station brings Metrolink commuters close to the Spectrum. To support the use of efficient transit alternatives, our municipal efforts are focused on working in collaboration with the Orange County Transportation Authority to create integrated transit linkage so Metrolink commuters can travel between our local Metrolink Stations and their jobs in a clean, efficient manner.

I'm pleased to announce that, in collaboration with the Orange County Transportation Authority, the City of Irvine will introduce a new City shuttle in the Irvine Business Complex area, dubbed the "i," later this spring. A modern bus, the "i" will travel along three routes serving the Tustin Transportation Center, John Wayne Airport and the greater IBC area. Discussions are also underway with UCI to explore ways to link the University shuttle with the IBC shuttle, allowing faculty and





students to commute via Metrolink as well. The goal is to alleviate traffic in the IBC by taking commuters off the road, providing alternative transit resources for people who live and work in the IBC to travel within the IBC, and to more efficiently connect with OCTA bus lines and other regional transit resources.

Planning is underway to create transit opportunities in the Irvine Spectrum area as well. With a goal of providing enhanced transit connections between Irvine Station, the Irvine Spectrum Commercial and Retail centers and the Orange County Great Park, \$5.2 million has been secured from OCTA to advance planning and environmental study of the Spectrum Guideway Demonstration Project. Envisioned as a modern bus system in the Spectrum and a modern streetcar system in the Great Park — both systems integrated and originating at the Irvine Station — the Spectrum Guideway Demonstration Project could begin operations within the next few years if anticipated funding becomes available. The objective, consistent with our long-held

municipal vision for ease of mobility to and through our City, is to provide clean, safe and efficient transit alternatives to convey people within our mixed-use commercial hubs in the IBC and Irvine Spectrum.

I want to publicly thank the Orange County Transportation Authority Board and staff for working collaboratively with the City of Irvine to advance these transit programs. The citizens of Irvine affirmed their support for enhanced local and regional transportation solutions when, in 2006, they passed the renewal of the Measure M half-cent sales tax for transportation by almost 74 percent. With 10 percent of Orange County's sales tax coming from the City of Irvine, the resources and support OCTA provides to our city represents a reinvestment of dollars generated by our community back into our community. It's another reason why we join with the Chamber of Commerce in encouraging you to "Shop Irvine" as a way of investing in Irvine's success.

While I have been addressing plans for new transit initiatives in Irvine, be assured

*Pictured: (Top) Traffic engineers in the Irvine Traffic Research and Control Center monitor City roadways to help commuters.*

that we remain a City that understands the importance of roads in supporting the hundreds of thousands of local residents and employees who must rely upon their cars for mobility each day. Irvine has more major arterials coming to or through our community than any other city in Orange County, therefore we recognize that mobility on local streets must remain a top priority in Irvine. We invest heavily in building and maintaining our municipal road system, and to help keep traffic moving, we have allocated over \$14 million dollars over the past 4 years to traffic signal synchronization and related enhancements. Another \$11.3 million will be invested in phases over the next four years, for a total investment of \$25 million to enhance mobility for people traveling in our city.

I've talked about jobs, I've talked about transportation, now it's time to talk about housing. Applying smart growth principles to our planning model allows us to preserve our traditional housing model within the core of our city while developing higher density housing near job centers at the edges of our community. In so doing, we help advance our adopted vision for a full spectrum of housing opportunities

throughout the City of Irvine. Whether mature villages, new neighborhoods, single-family detached homes, apartments, condominiums or high rise living, a wide variety of quality housing opportunities can be found throughout our city.

Consistent with our "Full Spectrum" housing vision, we have enhanced affordable housing opportunities over the past year as well. Almost 300 new affordable housing units are either under construction or were completed in 2007, including 13 permanently affordable home ownership units in Columbus Grove, 14 transitional housing units dedicated to Families Forward, 150 affordable apartments in the village of Woodbury and 71 permanently affordable apartments under construction in the IBC.

Regrettably, despite our proactive efforts to expand housing opportunities in Irvine, including our adopted goal of ensuring that 10 percent of our housing inventory is affordable when the City is built out and our establishment of the Irvine Community Land Trust to allow us to produce housing that will be permanently affordable, the Southern California Association of Governments, acting as an agent of the State, mandated that the City of Irvine plan for

*"We invest heavily in building and maintaining our municipal road system, and to help keep traffic moving we will allocate over \$25 million to enhance mobility for people traveling in our city."*





and produce nearly 36,000 new housing units — about a third more than we currently have — including 21,000 units of affordable housing — over the next seven years. It goes without saying that this is an impossible, implausible and totally unreasonable mandate to be placed on our community.

After having our appeal of the allocation denied by SCAG, we had no choice but to file a lawsuit to overturn SCAG's mandate which is currently working its way through the courts. It is a cautionary tale, reminding us that too often, rather than receiving recognition from State and regional agencies for advancing innovative initiatives and applying a balanced planning model, we are presumed to have overcome the greatest challenge — public opinion — and are therefore expected to carry the burden of other communities as well. You have my assurance that, while our commitment to enhancing housing opportunities for all income levels remains confirmed, we will fight any effort to compromise our balanced planning

model through housing mandates that are inequitable, unachievable and a direct threat to the quality of our community

While I have focused on the physical and economic infrastructure that supports our community — transportation, housing and jobs — I will reiterate a point I have made many times before: buildings don't make communities, people make communities. Even with a population of 202,000, Irvine remains an intimate and engaged community where people bump into friends and neighbors at schools and shopping centers, where cultural centers and religious institutions add richness to community life, where the introduction of municipal observances of Veterans Day and Memorial Day — and our adoption of the 2/11 Battalion out of Camp Pendleton — has allowed us to share moving moments and honor the service of great Americans, where concerts at the Civic Center and community parks throughout the year bring the community out to share joyful experiences and where the Irvine Global Village Festival draws thousands

*Pictured: (Top and Opposite) Irvine Global Village Festival cultural performances*

of people each year to experience the world without ever leaving Irvine. While nice homes and well maintained roads add considerably to the quality of our lives, it is our tradition of neighborhood involvement, community service, civic participation and social engagement that makes Irvine a great place to live.

And because people make communities, we recognize that we must balance our planning for the infrastructure needs of our city with our planning for the complex human needs that exist in all communities. It has been several years since we began to develop our Strategic Plan for Children, Youth and Families and I am pleased to say that the plan continues to evolve in a very positive way. Many of the priorities focus on our youth, to assure that they have the best opportunity possible to succeed. Other priorities focus on economic challenges and public health. Initiatives like our Earned Income Tax Credit program to help eligible workers receive tax refunds they are entitled to or our recently adopted Irvine Children's Health Program, or I-CHP, to connect families with local, state and federal resources that will help us achieve the goal of ensuring that all children in Irvine have access to basic healthcare. In the end, it is all about creating

a strong, healthy and vibrant community.

There's a lot going on in the City of Irvine, and we want you to know about it. Last year we introduced a new publication, *Inside Irvine*, which is distributed on a periodic basis to every postal address in the city. This publication highlights local events and initiatives and provides valuable information to Irvine residents. *Inside Irvine* compliments our quarterly Community Services Guide and our award winning website, [www.cityofirvine.org](http://www.cityofirvine.org).

The volume of activity on our website is significant, serving as a "Virtual City Hall" where residents can reference information, learn about municipal programs, review an archive of public information, watch public meetings of the Irvine City Council and Orange County Great Park Corporation, renew business licenses, track building permits, find voter registration information, register for community services classes, look for jobs, check out the community calendar and obtain information on a myriad of city services and non-profit organizations serving the Irvine community. Another valuable source of information to Irvine residents is ICTV, Channel 30, which showcases local events and activities on





ICTV News, offers special programming and public service announcements and broadcasts a community bulletin board.

Efficient communication tools are important to Irvine citizens every day, but in times of emergency, they can make a critical difference. In 2007, the City of Irvine introduced 1640 AM, our citywide emergency broadcasting frequency which provides up to the minute information to Irvine residents in the event of an emergency. We had an opportunity to put the system into action during the recent Santiago wildfires. Within the first hour after the fires broke out, ICTV provided Irvine residents with information directing them to 1640 AM where they received real-time updates throughout the emergency. We were also able to direct affected residents to the Red Cross emergency shelter that was set up at Lakeview Senior Center.

In the end, ours was a fortunate community. No loss of homes, no injuries and no fatalities. The extraordinary efforts of the Orange County Fire Authority and the integration of effort by the Irvine Police

Department kept our community safe. We can plan for emergencies, invest in resources, and train our personnel, but it takes a real emergency to test whether the investment of time and resources is truly effective. The Santiago fires provided that test and overall, we were pleased with the results. That said, we have continued to enhance our emergency and public safety resources with the addition of a new state-of-the-art mobile communications vehicle which will allow public safety personnel to operate in the field during emergencies and procurement of a "reverse 9-1-1" contact system so that residents can receive information by phone in the event of future emergencies.

As we grow, we continually upgrade our investment in the municipal resources necessary to maintain the high standards that define the City of Irvine. Nothing illustrates this point better than our recognition, for the third year in a row, as America's Safest Big City. We are adding police and enhancing our equipment. Our geographic policing model continues to

*Pictured: (Top) 2/11 Marines pick up toys donated by Irvine residents for children of deployed service personnel. (Opposite) Local firefighters receive support from Team Kids during the Santiago wildfires.*

prove its effectiveness. And year after year, the City Council allocates nearly a third of our annual budget to public safety, approximately \$42.5 million this year alone. Unwavering support for public safety translates to more police officers on our streets, more resources for community outreach, more training for our officers and better equipment for our public safety personnel. There is a reason why the Irvine Chamber of Commerce answers the phone, “Welcome to the Safest City — Irvine.” It’s a distinction we can all be proud of.

Irvine is a City defined, not only by our commitment to public safety, but also by our commitment to innovation, education and civic participation. We are productively engaged with our education, business and local non-profit partners. We embrace diversity, and we want every person’s voice to be heard in local, state and national affairs. To that end, the City Council recently initiated the Irvine Democracy Project: Vote 2008 to encourage voter registration and, in partnership with the Orange County Registrar of Voters, to provide opportunities for local residents to get involved in the electoral process. In just a couple weeks, Californians will express

themselves through our Presidential Primary. Early voters can come here to the Irvine Civic Center where voting is already taking place. This is our Country. This is our State. This is our City. Young or old, native born or naturalized citizen, this initiative serves to remind you that your vote is your voice and in Irvine we want everyone who is eligible to vote to be registered and we want every vote to count.

Before I conclude, I’d like to take a moment to acknowledge the people who dedicate themselves each and every day in service to the citizens of Irvine. From the City Manager and his executive team to the more than 775 full-time employees who are part of our City staff and Public Safety department, the people who work for the City of Irvine are working for you every day. Their efforts contribute significantly to our reputation as a first-tier city and reflect the values of *innovation, integrity, professionalism, flexibility* and *responsiveness* that guide our municipal organization. And I think you’d be pleased to know that many of our executive administrators, including City Manager Sean Joyce, Chief of Police Dave Maggard and our two Assistant City Managers —





Sharon Landers and Wally Kreutzen, are not just employees of the city, they're residents too. That used to be the norm in communities, but today it is a choice. I know that many of our City employees have made that choice as well. It's not a choice that everyone can make or may want to make. But the fact that so many do says a lot about the level of personal investment that our city management and city employees feel about their work in this community. Regardless of where they reside, our municipal workforce is second to none, and I want to take a moment to acknowledge our city employees for contributing to Irvine's reputation as a great city in which to live, work and play.

The State of the City is a platform for recognizing our municipal achievements, and I appreciate the opportunity to do so. Not every public organization has that opportunity, so, while they are not under our direct administration, I would also like to recognize a few of our most dedicated community partners who contribute significantly to our success as

a community: Our local firefighters, who worked 24/7 during the recent Santiago fires to protect our community; the teachers, administrators and employees at the Irvine Unified School District and the Tustin Unified School District who dedicate themselves to give our children the strongest foundation possible upon which to build their lives; the leadership at Irvine Chamber of Commerce who help to support our local economy; the administration and staff at the Irvine Ranch Land Reserve who manage and protect our Open Space Reserves; and the administration and staff at the Irvine Ranch Water District who produce water that's better than what comes in a bottle and partner with us on our conservation efforts. Please join me in recognizing all the dedicated individuals who serve our community and help to make every day a great day in the City of Irvine.

Working together, we have accomplished a lot over the past year. In 2007 we:

- Earned recognition as one of the "100 Best Communities for Young People in America" for the second year in a row

- Increased our Contingency reserve to \$20.8 million ensuring we not only have the benefit of a balanced budget, but will be “recession ready” in the event of a further downturn in the economy
- Launched the Great Park Balloon, the first major feature of the Orange County Great Park, and advanced planning for a 27.5 acre “Preview Park” around the balloon site for Orange County residents to enjoy while Great Park planning, design and construction unfolds
- Partnered with our local schools through the Irvine Educational Partnership Fund, Walk to School Day, our “Cans for Cash” recycling initiative, the development of new community parks as new schools have opened and more than \$3 million dollars in direct and indirect support
- Joined with Irvine Valley College for the dedication of their new Performing Arts Center, an intimate and accessible performance venue to showcase the talents of IVC students, visiting performers and community groups
- Supported the Irvine Chamber of Commerce and our Destination Irvine Program through a 2 percent Hotel Improvement District Assessment on local hotel guests providing \$2 million dollars in funding to the Irvine Chamber of Commerce to underwrite economic development initiatives, and an additional \$660,000 to the City of Irvine to invest in local cultural programs and community priorities
- Collaborated with the University of California, Irvine to advance a number of civic, planning and environmental initiatives that benefit our community and build stronger bridges between Town and Gown
- Established a Multicultural Affairs Office to oversee official protocol, coordinate visits from international delegations and to serve as a bridge between City Hall and the many organizations, institutions and diverse constituencies that are part of the fabric of our community
- Provided more than \$600,000 to help underwrite unique, high quality performances at the Irvine Barclay Theatre, one of Irvine’s most innovative public-private partnerships supported by the private sector, the University of California at Irvine and the City of Irvine





- Celebrated the 25<sup>th</sup> Anniversary of three Irvine institutions: The Irvine Animal Care Shelter which hosts an average of 3,000 animals each year, working to reunite them with their owners or find them new happy homes; IDEC — Irvine Disaster Emergency Communications — a community based organization dedicated to the vital role of helping Irvine maintain its high level of preparedness in the event of natural disasters or local emergencies; and the Annual Irvine Holiday Faire at the Irvine Fine Arts Center, showcasing the works of over 150 local artists
- Hosted more than 8,000 visitors at our 6<sup>th</sup> Annual Global Festival which celebrated more than 50 cultures, showcased 52 international performances, and included more than 171 booths featuring culturally distinct cuisine, gifts, and information — allowing people to truly experience the world without ever leaving Irvine
- Implemented the Irvine Democracy Project, in collaboration with the Orange County Registrar of Voters, local schools, colleges and universities, the Irvine Chamber of Commerce and local community groups to encourage greater civic and voter participation in Irvine
- Distributed close to 50,000 compact fluorescent light bulbs to help Irvine residents reduce their energy bills and help support our municipal efforts to be clean and green
- Adopted the 2<sup>nd</sup> Battalion, 11<sup>th</sup> Marine Regiment, 1<sup>st</sup> Marine Division — known as the 2/11 —out of Camp Pendleton, including them in our Veterans Day and Memorial Day observance, supporting their families at holiday time and affirming the City's on-going commitment to honor our nation's brave and dedicated military service personnel
- Helped secure over \$167,000 in Earned Income Tax Credit refunds to Irvine workers through our collaboration with the Orange County One-Stop, the Legal Aid Society of Orange County, the Irvine Chamber of Commerce and local employers

*Pictured: (Top) The City of Irvine formally adopts the 2/11 Battalion from Camp Pendleton.*

- Curtailed the threat to our community presented by the Santiago wildfires, leveraging the expertise of the County Fire Authority with our local public safety and emergency resources, ensuring the safety and protection of our community
- And, for the third year in a row, earned national recognition as America’s Safest City with a population over 100,000 based on FBI statistics on violent crime

In Irvine we have come to appreciate that balancing priorities and “connecting the dots” makes for a great community planning model. That has been our goal — quality housing for all lifestyles and income levels. In Irvine, neighborhoods are near quality retail centers. Parks and community facilities are available for recreation and social experiences. There are childcare programs, senior centers and community events. It’s about being a sustainable, civically-engaged, full spectrum community with a thriving economy and the resources necessary to maintain high community standards for public safety, education and community services. We are not constrained by a

traditional model of municipal governance. We prefer to leverage our opportunities and find ways to collaborate. Irvine is not defined exclusively by what we’ve built, because we recognize that Irvine’s “human infrastructure” is as great a municipal asset as our buildings, parks and roads.

We are a strong, fiscally sound and well maintained community. That said, we must never cease to aspire to greater things, for it has been our ability to dream big dreams that has served as our greatest catalyst to achieving them.

The year ahead may be filled with uncertainties, but the efforts we have invested in planning for those uncertainties gives me great confidence that we will rise to meet any challenge. As we enter this new year, I look forward to working with the City Council and all our community partners to balance the needs of our community in ways that contribute to an affirmative vision for Irvine’s future. I thank each and every one of you for making Irvine a great place to live, to work, to play... and to be Mayor.

