

# State of the City Address

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Kirkland Chamber of Commerce

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Thank you for that lovely introduction. I'm privileged and honored to be your Mayor, and to be here to speak to you today. I can't believe a year has passed since I last stood before you. And what a year it has been! That's why I am excited to deliver the Mayor's Annual State of the City address.

First, on behalf of the Council, let me thank you each and every one of you for locating your business in Kirkland. We know you have choices and we'll never take it for granted that you chose us. The foundation of our community rests on three pillars: *engaged neighborhoods, decisive, responsive City government, and flourishing businesses*. Business revenues reduce general taxes and help the city invest in public safety, streets and parks. The jobs you create and the goods and services you provide allow our residents to live, work and play right here. The Council is committed to keeping your businesses happy, healthy and prosperous.

Sir Walter Scott, famously said "Look back and smile of *perils past*." To me this means that remembering the hardships of yesterday helps us celebrate the blessings of today, and prepares us for the triumphs of tomorrow. Last year we looked back at Kirkland's escape from the perils of the Great Recession. Today I want to look back at 2014 and smile instead of performances past.

In 2014 I told you that the State of the City was "Poised!" Poised to be a regional force to be reckoned with, to boldly tackle the big issues and the big ideas with renewed economic strength. Poised to seize the opportunities before us.

The opportunities I highlighted were ambitious and bold. And I'm proud to say the City has performed. One of our most important tasks was crafting a fiscally disciplined budget. A conservative budget invests in infrastructure, saves for the future, and pays for ongoing expense out of dependable revenue. A surging economy with almost 1200 residential units and over 430,000 square feet of commercial and office projects in the pipeline made that task easier. In December the Council unanimously adopted a balanced budget for 2015-2016, based on our community's priorities, that fully funds services while preparing for the expiration of the annexation sales tax credit. Unlike some of our neighboring cities, we accomplished this without raising B&O taxes (Oh Issaquah), head taxes (Oh Redmond!), utility taxes or property taxes. And, for the third consecutive biennium we're making significant contributions to our reserves. We added 5.3 million dollars to rainy day and contingency accounts, and another 1.65 million to our savings accounts for infrastructure.

This past December, Standard and Poor's affirmed Kirkland's AAA credit rating. I'd like to share some of the report's comments about us. "We consider the city's financial management practices *strong*." "In our opinion Kirkland's budgetary flexibility is *very strong*." Kirkland has "*very strong* liquidity" and our "debt and contingency profile is *very strong*." Finally, "We view Kirkland's management conditions as *very strong*" and "We consider Kirkland's economy *very strong*."

And so, my colleagues, my friends, it shouldn't surprise you when I tell you that the State of the City is strong!

But keeping Kirkland strong requires more than financial stewardship. It requires leadership. The Council took critical actions in 2014 to protect and enhance our quality of life. Every Councilmember played a prominent role on the regional stage on behalf of Kirkland. Deputy Mayor Penny Sweet is passionate about her work on Regional Water and Emergency management, and attacks it with gusto. Council Member Doreen Marchione is the conscience of the Committee to End Homelessness, inspiring them to work harder and achieve more, while reminding them that the Eastside is the leader in providing housing for families in need. Council Member Dave Asher, as Chair of our legislative committee and through his work throughout this County and in Olympia, has been a tireless advocate for transportation and transit to serve Kirkland and the region. Council Member Toby Nixon is our valued voice on Regional Law and Justice, and is the authority on open government. Council Member Shelley Kloba has been a champion for women and children through her work against Domestic Violence and for Human Services. Council Member Jay Arnold works to protect people and property from flooding and to improve rivers and streams on the Water Resource Inventory Council, and serves as the regional representative for our portion of the Rail Corridor. This is just a peek into their activities. There's so much more. I honor all of their work.

It's not only your Council that is on the road. Our City Manager and his team have brought Kirkland to the forefront of critical initiatives, such as affordable housing and emergency services. Mr. Triplett's work developing the next generation of the 911 system is but one example of how more and more, Kirkland's is the voice that is heard, the opinion that is sought. Our City hall team are in leadership and in public service around the State. Together, your Councilmembers and your government are a formidable, respected and effective voice in the region that ensures that Kirkland is always at the table when decisions are made and funds are allocated.

Back home, as always, our top priority is the safety of our community. In 2014 we completed and opened the Kirkland Justice Center and accomplished key elements of our Fire Strategic Plan, including initiating a new north end fire station to reduce response times. We've invested in Firefighters, in Police, and in the state of the art equipment they need to be effective.

We must keep our people safe, but we must also serve them well. To that end the Council funded a Customer Service Initiative that used LEAN management principles to recommend renovations to City Hall, to better serve, with more modern, effective and flexible space, a new

Customer Service Coordinator to provide concierge-like service as you enter our doors and in related efforts we made great progress in simplifying our zoning code and completing our Development Services plan. We've set aside over a million dollars in development fees to create a new "one-stop shop" permit center to better serve our customers. We energized our neighborhoods! We've asked our neighborhood associations to lead the charge in selecting local safety projects, to get input for the 2035 Comprehensive Plan, to certify our residents in Emergency preparedness through the CERT program, and to reach our citizens for their input into policies under consideration about all kinds of subjects. Our residents have developed an elegant vision for our community that Kirkland will be green, livable, walkable, connected, sustainable. As a down payment on that vision we adopted the Walkable Kirkland Initiative, which more than doubles the amount of money that will be invested in traffic calming, sidewalks, crosswalks, flashing beacons, and school walk routes over the next six years to improve bicycle and pedestrian safety. We're excited about connecting our neighborhoods with the Cross Kirkland Corridor as we approved its Master Plan and complete the Interim Trail this month.

We increased our contributions to human services and to affordable housing efforts, keeping our community a responsible, compassionate place that we can be proud of, and where our children will want to raise their families.

Once again we partnered with our employees to keep the cost of government sustainable by creating the Healthy Kirkland Initiative. This trailblazing, consumer-driven program is an innovative public private partnership that puts us on the leading edge of health care reform. It combines an educated and empowered work force with a high-deductible plan and a medical clinic. Our plan will not only keep our employees and their families healthy while slowing the rise of benefit costs, it will become the model that other communities look to, to address this looming challenge. That's Leadership.

Perhaps most thrilling of all, we finally saw progress on the redevelopments of Park Place and the Totem Lake Mall. Since last fall the new Parkplace partnership of Prudential and Talon has been meeting with our staff, neighborhoods and business groups to share their exciting vision for a retail, office and residential project that is less dense and more Kirkland. This last Tuesday the Council received a presentation from CenterCal Properties, one of the potential new owners of the mall. Their preliminary concept is for a high-quality, pedestrian focused retail center that will become a true community gathering place. Economic recovery, with the table we have set, and they have come. These projects are economic game changers for Kirkland, and this Council will ensure they are successful.

2014 was a year of performance, of major accomplishment for nearly every aspect of our community. Our neighborhoods were engaged, our government solved problems, and our businesses flourished. Money Magazine listed Kirkland as the 5th Best Place to Live in America. That is an accolade that all of us, and those who came before us, earned, and it is one worth celebrating.

But as the Poet Percy Shelley warns “Nothing wilts faster than laurels that have been rested upon”. This government will not rest on its Laurels. In fact, this is the time for action. As many of you know, I’m proud to be a Ford dealer. Ford’s vision is to “Go further.” And going further in 2015 is exactly what the City needs to do to protect and enhance our quality of life.

We must go further with decisive, responsive government, because some challenging choices and opportunities face us in 2015.

We must go further and take whatever City action is necessary to authorize the Parkplace and Totem Lake Mall redevelopments.

We must go further and demand that our state legislators take action to complete the 520 bridge, to build the I-405 ramps that serve Totem Lake, and expand road and transit capacity.

We must go further and complete the City Hall remodel on time and on budget, and implement the plastic bag policy that the Council has debated and decided.

We must go further and improve downtown parking. The City has produced a draft list of options for discussion. The community must now help us decide what to prioritize, and then we must act.

We must go further and ask the public if they wish to approve the aquatic, recreation and community center that a City of 82,000 people, with 7 miles of shoreline deserves. The full Council will discuss this issue in 2015, but I believe that if we act now, we have an exciting opportunity to use the ARC as a catalyst for economic growth in the Totem Lake.

And finally, we must go further in making strategic infrastructure investments that reinforce our priorities. We must complete the Park Lane and 85<sup>th</sup> Street projects to bolster two of our most important business centers. In 2015 the Council will allocate tens of millions of dollars to streets, parks and utility projects over the next six years. We must get these projects right, and use them to facilitate economic growth and deliver our vision for Kirkland in 2035.

If we can achieve these tasks in 2015, then maybe we can even “go further” up Money Magazine’s ladder of success. After all, there are still four rungs above us left to climb. As your Mayor, I pledge to keep going further until we reach the very top and the rest of the nation accepts what we already know, that Kirkland is truly the best place to live in America. Thank you.