

My last performance review with the City Council was in March of this year. I am pleased to have the opportunity to once again share with you what I consider major accomplishments of the past six months.

Let me begin by addressing the area of communication. I have received clear direction from you that this is an area of great importance to you. As such, I have:

- Continued to make myself available to you as your needs arise. My staff knows I can be interrupted any time, in any place to talk with a Councilmember;
- Continued to make myself available to meet with each of you, one-on-one, on a weekly basis;
- Kept you informed of citywide and district specific issues of concern as I become aware of them;
- Instituted a "Priority Press Alert" to keep you better informed of media contacts before stories appear in the press. This information is sent to your offices and faxed to your homes;
- Made a specific effort to work one-on-one with City Hall reporters to provide background and to encourage more objective and accurate reporting;
- Held press conferences on more complex issues to ensure better communication with our residents, but only after notifying your offices of such press events.
- Hired a Public Affairs Manager to oversee the City's communication program to better serve you, our employees and our citizens.

A major focus during the past six months has been to continue to seek solutions to the energy-related issues we faced last Winter. In addition to the measures we implemented to reduce the financial burden to utility customers, such as the creation of a level pay plan and increasing the low-income thresholds for our senior and disabled customers, following are examples of some major strides we have made in this area:

- In September, we negotiated an 18-month gas supply agreement with Coral Energy that will protect Long Beach residents from the unprecedented natural gas costs experienced this past Winter. This agreement not only guarantees a very reasonable peak price, but in all likelihood, will prove to be the lowest prices to be paid for natural gas in Southern California.

- We successfully renegotiated the local gas agreement with the State Lands Commission, which reduced the cost of natural gas for our customers by over \$20 million by setting rates equal to those paid by Southern California Gas customers
- We received authorization for the Long Beach Unit oil field to construct a 45 MW power plant that would supply electricity to the oil field, which will reduce costs of production for the oil field and guarantee uninterrupted operations, even during brown-outs or black-outs. A start-up is planned for summer 2002.
- We focused our legislative efforts to assist with the passage of AB 27XX, which provides the necessary financial incentives for the exploration of potentially substantial untapped natural gas deposits in the tidelands area of Long Beach. Prior to the passage of this bill, any gas withdrawn from the reserves would belong completely to the State. The framework for an agreement between the parties has been prepared and new natural gas prospects in the Wilmington oil field have been identified. This new law allows the City to share in the profits from the natural gas, passing those benefits along to local ratepayers in the form of price reductions.
- We upgraded the gas service Utility Computer Aided Dispatch System (UCAD) from a Disk Operated System (DOS) to a user-friendly work management tool. The system upgrade provides more timely response to gas service customers' appointments, guaranteed next business-day, two-hour appointment windows, extended access to real time information and enhanced reporting capabilities.
- The upgrade of 250 intersections to LED operation, which will save the City \$200,000 a year in energy costs. This conversion is ongoing, with the balance of the city-owned intersections expected to be complete by December, resulting in an overall annual savings of \$376,000.
- We retained the services of an acknowledged solar energy expert, Chris Cook, of E3 Energy, to consult with the City and to help us develop new, innovative solar solutions to traditional energy problems. Through Mr. Cook, we have developed a partnership with Siemens Solar to promote the use of environmentally friendly photovoltaics within the city and to assist residents and businesses in determining the benefits of investing in the use of solar energy.

Listed below are some of the other major projects and programs we have seen come to fruition during the past six months:

- October 29, we will break ground on the new Emergency Communications and Operations Center (ECOC), a 42,000 square foot, two-story facility at Spring Street and Redondo Avenue, that will house the City's Police and Fire Department's Central Communications Center (911 and the Emergency Command Center). As an essential services facility constructed on seismic base isolators, the ECOC is designed to meet all current State, local building and seismic codes. The installation of telecommunications and other electrical components will make this a state-of-the-art "intelligent building." The estimated date of completion for this long needed facility is the fall of 2003.
- In July of this year, the site plan was approved and final Environmental Impact Report certified for the North Police Station, a one-story, 20,000 square foot building that will replace the old, antiquated existing substation established in 1984 on the northeast corner of Scherer Park. The North Police Station will be used primarily for patrol and traffic/motor officer operations, community policing, reserve officer deployment and special enforcement activities for the North Patrol Division. The station will accommodate over 200 officers and civilian employees at full deployment. We anticipate a ground breaking in January 2002.
- In August, a two-year search to locate a Police Athletic League (P.A.L.) facility in North Long Beach proved successful with the identification of property at 2311 E. South Street. There are currently two other P.A.L. facilities in the City that draw primarily from West and Central Long Beach neighborhoods. On September 25, the City Council authorized the execution of a 10-year lease for this new location, which will provide a variety of recreational activities for youth between 7 and 17 years of age, as well as homework tutorial assistance. The facility should be operational shortly after the first of the year.
- We allocated all of our commercial airline flight slots when JetBlue Airways posted bonds for the 27 remaining air carrier slots. JetBlue commenced service in August with two daily departures to New York with additional flights to be added over the next 18 to 24 months. In anticipation of the increased airline service, we completed Phase I of the Airport's terminal enhancement program and have obtained \$8 million in discretionary funding from the FAA to begin the reconstruction of the Airport's 10,000-foot primary runway.
- We continued our sidewalk replacement program in all Council Districts, with the last of the FY 01 contracts currently underway in District 5. We completed street improvements, including updating traffic control devices,

as well as the repaving on portions of 4<sup>th</sup> and 5<sup>th</sup> Streets, Walnut Avenue, Wardlow Road, Clark Avenue, Easy Avenue, Bellflower Boulevard, Atlantic Avenue, Willow Street and Santa Fe Avenue. Due to the extensive amount of street repair work occurring in the city at one time, we launched a Public Information Construction Communication Program to keep residents and business owners informed with a listing of the sites, contact phone numbers for the responsible agency, and construction time lines. This information is updated weekly and appears in the Press Telegram and on the City's website. The final phase of the 605/Carson interchange project is underway to improve traffic flow into the Long Beach Towne Center and should be completed in time for the 2001 holiday season.

- After many years of planning, the widening of Lakewood Boulevard between Willow and Carson is underway. Work includes double left turn lanes at all major intersections with new state-of-the-art traffic signals, a storm drain system to improve drainage, sidewalks, curbs and gutters. The Boeing Corporation has agreed to install and maintain the landscaping along the Boulevard, creating a positive image for travelers arriving at the Airport and as a gateway to the Boeing PacifiCenter development currently in the planning stages.
- Working in cooperation with Caltrans and other agencies, we have taken steps that will result in major improvements throughout the I-710 Freeway Corridor, including:
  - Working with Caltrans to facilitate the construction of resurfacing and other improvements on 2.5 miles of the I-710 from Pacific Coast Highway to the San Diego Freeway.
  - Initiated a partnership with Caltrans, MTA, SCAG and the Gateway Cities Council of Governments, and the Port to sponsor the I-710 Major Corridor Study, which will result in identification of a preferred alternative to address the expected increase in truck and vehicular traffic. This information will also be used as a step toward obtaining funding to construct the required improvements identified in the study.
- This summer, we saw the Camden Project break ground in our downtown area. Phase I, which is underway, consists of approximately 500 apartments and 20,000 square feet of retail. The demolition of the former Long Beach Plaza was completed and construction is underway for the new CityPlace, which, upon completion, will yield over 450,000 square feet of retail, over 350 dwelling units, a 120-room hotel, and reconstructed parking structures.

- The Central Redevelopment Project Area was originally adopted in 1993, but never generated tax increment because of a variety of economic factors. Community Development Department staff undertook a nine-month effort to readopt the Project Area and in March of this year, both the Redevelopment Agency and the City Council approved the readoption. The Readopted Project Area should begin generating badly needed tax increment in Fiscal Year 02-03 which will, in turn, be used to remove blight, build affordable housing, provide new public infrastructure and bring new businesses and jobs to Central Long Beach.
- We received approval for an Ombudsman/Help Desk pilot program in the Department of Planning and Building to assist small business applicants. This concept arose from recommendations of industry as a means of helping smaller enterprises that do not retain professional architects or engineers to serve as their agents. Often times, these applicants do not have the technical knowledge and skills to handle the complexities of codes and regulatory processes, resulting in problems and delays in obtaining permits and business licenses.
- We obtained approval of the Housing Element of the General Plan in April and certification from the State in July. We completed a Housing Needs Assessment and initiated the development of an affordable housing strategy for the city. Through effective and efficient resource management, we increased the utilization of allocated housing vouchers from 97% to 103%. The U.S. Department of Housing and Urban Development permits housing authorities to provide assistance to more than 100% of their allocations if funding permits. Increasing the quantity households served from 5,557 to 5,729 households resulted in 172 additional very low-income Long Beach households living in decent, affordable housing. We completed the negotiation for the revitalization of the Grisham Neighborhood in North Long Beach and have substantially completed the acquisition of the 26 properties.
- In June, we obtained a 3-year \$877,600 Code Enforcement Incentive Program grant from the State of California Department of Housing and Community Development.
- Our legislative efforts have resulted in secured funding for the following:
  - \$ 75,000 Drake Park Community Center
  - \$ 20,000 Towards a new Multicultural Center for Health Dept
  - \$500,000 Los Angeles River Clean-up Project
  - \$500,000 Colorado Lagoon River Clean-up Project
  - \$5 million Wrigley Heights Acquisition (funded through the State of California Resources Agency)

- In August, the National Park Service announced that the City of Long Beach would receive an Urban Parks and Recreation Recovery grant for \$500,000 for the rehabilitation of Martin Luther King Park Pool. The San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy awarded the City \$997,110 in grant money for the restoration of habitat south of Willow adjacent to the El Dorado Nature Center, as well as a \$999,781 grant for the development of wetlands adjacent to Cesar E. Chavez Park.
- In September, we received Council approval to execute an agreement with Coca-Cola for a Citywide beverage sponsorship agreement that will provide \$300,000 in minimum annual revenue over a 10-year period. The agreement also commits Coca-Cola to a minimum of three major marketing programs annually.
- In April, together with the Tiger Woods Foundation, we brought more than 3,000 young people from all parts of the city together to be a part of the Tiger Woods Golf Clinic. From this, the City also realized a grant from the Foundation of \$17,000 for each of the next three years to be used for golf scholarships and a youth leadership program, as well as extensive positive media coverage for Long Beach.
- As the result of a unique public/private partnership with the Jehovah's Witnesses, our Seaside Meeting Rooms at the Convention and Entertainment Center have just been completely refurbished at a value of \$2,857,680 with only a \$300,000 investment made by the City. The Jehovah's Witnesses participated in and completed the actual construction in just 100 days in exchange for the use of the facility for their meetings for the next twelve and one-half years. They bring 140,000 members to Long Beach each summer for 12 weekend meetings in our Arena. The Seaside Meeting Rooms have now replaced what were formerly known as the Terrace Meeting Rooms, which were constructed 23 years ago, and will bring a new interest and vitality to this area of the Convention Center as more guests will have accessibility to these rooms from Exhibit Halls B and C as well as a new entrance on Seaside Avenue. The new rooms will also make our Convention Center more competitive to the industry adding 22,000 square feet of renovated space aimed at bringing more local market catering to the building.
- The Library completed a five-year strategic plan that focuses on rebuilding basic/core services in neighborhoods and providing new and innovative services and programs responsive to the needs of Long Beach residents in the 21<sup>st</sup> century. The virtual library was expanded in April with the launch of the Library's new website, which contains over 130 pages and more than 1,600 links to valuable information resources found on the World Wide Web. Since March, five new Family Learning Centers have opened, bringing the total to twelve, one at each Library site. The implementation of this program

is two years ahead of schedule. Supported by grants and donations to the Long Beach Public Library Foundation, these centers provide homework help, access to computers and specialized educational resources to over 50,000 children and their families.

- We celebrated the grand opening of the P.D. Pitchford Companion Animal Village on August 10. This \$6 million state-of-the-art facility is operated jointly by the City of Long Beach Animal Control Bureau and the Society for the Prevention of Cruelty to Animals Los Angeles (spcaLA). As another very unique public/private partnership, staff from both agencies work side by side combining their animal welfare expertise to provide our citizens, animals, and contract cities the best possible service and care.
- Working in tandem with the Port of Long Beach, the City was recently deeded the 280 acres of former Naval Station and Shipyard property by the Navy, which will now give the Port the full control they need to move ahead with plans to redevelop more of the site for Port operations. In 1998, the Navy turned over 80 acres of the complex to the Port and allowed the Port to lease the remaining 410 acres. That same year, construction began on a \$576 million cargo terminal on the site, which is scheduled to open in August 2002. When completed, the Pier T terminal will encompass more than 375 acres of the man-made Terminal Island.
- In the area of Finance, we:
  - Balanced the FY 02 budget within existing resources and without the use of reserves, thereby protecting the City's excellent credit rating;
  - Secured a AAAs Investment Pool rating from Standard and Poor's (first municipal investment pool to have received this highest rating);
  - Saved a projected \$5.5 million by restructuring debt for a Navy hospital property promissory note;
  - Alleviated near-term cash flow difficulties for the Aquarium of the Pacific;
  - Focused our efforts to improve diversity outreach by creating a new Diversity Outreach Division;
  - Protected the City interests by representing the City's position before the State Legislature and Board of Equalization related to property tax situs distribution of a deregulated energy plant, which prevented the loss of nearly \$1 million. In this same manner, we prevented a \$3 million loss in local sales taxes by preventing the State from requiring

companies that buy materials and supplies for a parent company to do business through third parties;

- Submitted necessary claim forms for reimbursement for State mandated costs relating to internal affairs investigations per SB90, which will result in an initial reimbursement to the City of approximately \$5 million.
- We successfully negotiated five Memoranda of Understanding (MOUs) and three MOU extensions with employee bargaining groups. We implemented a new HMO plan for employees and retirees at a cost savings of \$400,000 per year. With the announced retirement of three Deputy Fire Chiefs, as well as the Fire Chief, we held an assessment center to measure the capabilities of the Assistant Fire Chiefs, Battalion Chiefs and Captains on the Battalion Chief civil service list. To date, this has resulted in the appointment of three new Acting Deputy Fire Chiefs and one Assistant Fire Chief who will gain valuable experience by shadowing the individuals they will ultimately replace. I expect to be able to announce my selection of the next Fire Chief by the end of the year.
- We provided an update to the City Council this month on the Long Beach Plan, which is an ongoing, evolutionary process to provide a customer-focused, performance-based process to review and improve the delivery of City services. While the implementation team continues to refine the Work Process Review component, the National Civic League Stakeholder Group on the "Community Partnership 4 Results" project is continuing with its progress. This group will identify Key Measurement Areas, indicators, and performance measures for City services.

Although what I've listed above is by no means all of the accomplishments of the past six months, it is a compilation of many the City Council has indicated to be of high priority. Along with these major areas of focus, as well as the day-to-day operation of the City, we have recently been faced with the consequences related to the terrorist attack that took place on September 11. As you well know, we have had to devote a great deal of time and resources responding to many subsequent incidents. Our Police, Fire and Health Department personnel are being stretched to their limits dealing with these additional calls for service and requests for information from the public who want and need the reassurance of our City's state of preparedness in the event of a major emergency. Listed below are a few of the measures that have been taken in this regard:

- Starting nearly three years ago, we have received over \$1 million in anti-terrorism grants to respond to acts of terrorism;



- We have completed the purchase of approximately \$360,000 worth of equipment consisting of radios, medical supplies and related material which is located in a mobile emergency center, as well as deployed throughout the City;
- Police and Fire have and continue to host regular drills and tabletop exercises to remain prepared for a major emergency;
- The City's PIOs meet on a quarterly basis and continue to participate in specialized public safety training and tabletop exercises;
- This month our PIOs joined all Southern California Emergency Public Information Officers for a full day of training which included a presentation by the FBI on "Terrorism: Weapons of Mass Destruction;"
- Police, Fire and Health Department personnel have provided safety and preparedness information in many public forums, including Town Hall meetings held by Councilmembers, and tapings for Channel 21;
- The Human Dignity Program was quick to activate the Hate Crime Response Team and send a message of tolerance across the City; and
- We have provided emergency preparedness training for Councilmembers and their staff.
- Within 25 hours of a request from the FBI, the City was able to quantify in excess of \$22,000 in City costs related to the recent response to the anthrax threat at City Hall. This information will enable the U.S. Attorney's Office to file criminal charges against the individual responsible for this hoax.

While this additional activity has not yet affected other City services, I anticipate we will continue in this mode for some time to come; however, public safety is our most important job and we stand ready to do whatever it takes to meet this challenge or any other that comes our way as we move forward. I stand ready to address any other issues that you may have.