

SOC 2020

Thank you J.V. and thank you to the Meridian Chamber of Commerce for hosting this virtual event.

Good Afternoon Meridian.

Before I get started, I would like to thank several people who have helped me navigate the first 167 days as your Mayor.

First to my family, especially my wife Jenny, for their help, support, and understanding. I cannot do this job to the best of my ability without their love. It is a family effort to make it all work, so thank you.

To my fellow elected officials, especially City Council President Treg Bernt, for your indulgence and openness as we take on new roles and work together to manage the needs of the City and to meet the expectations of our residents.

To all the city employees who have come alongside me in this new capacity, rolled up their sleeves and continue to provide the services our community expects during the challenges none of us expected.

And to the community – our businesses, residents, and those who care about Meridian. The trust you have placed in me to lead, and the support you have provided makes every day special.

This speech will likely be different than ones you have heard in the past. After listening, I hope you will have a better understanding of where we currently are as a City and where we are headed as a community. Not everything I say will be popular, but it is necessary in order for us to have honest conversations so we live up to our vision to be the West's premier community in which to live, work and raise a family.

So with that, let's get started.

When I first thought about giving this address it looked much different. It was originally scheduled for April – right after my first 100 days. I had planned to report on what we had been working on and how we planned to implement the priorities I talked about with the residents during the campaign. Then, as I started to write the speech it was clear my next 100 days and beyond were going to look like nothing we'd seen before. As COVID-19 began to make its mark on the United States my focus and that of the City staff changed. How we interact as a society changed. Our expectations changed.

My comments this afternoon will not focus as much on our current reality, but more on our future as a community. We can and will manage the impacts of the pandemic. There will continue to be challenges – perhaps some we do not yet know. Loved ones have been lost. Our

economy has been shaken. But, we will recover and our spirit as a city will remain – much like when the great recession hit – because we are a safe community, we have a welcoming environment, and we are focused on families.

The State of the City is evolving. We are growing, improving, and facing unprecedented challenges as we stand at the crossroads of our community. But our employees are well equipped; our partners are engaged; and our leadership is working collectively to address our future.

During the first 100 days people would often ask me how I was doing or what it was like being Mayor. My response was it felt like I was back in second grade, riding a bike with training wheels, with everyone telling me how good I was doing. Meanwhile, I was just waiting for those challenges to start flying my way – just the way the big red balls did in a game of dodgeball on the playground. And soon they did.

We've been working on several items since day one. Specifically the next steps of implementing the Comprehensive Plan, kicking off the city's next Strategic Plan, working on plans for downtown, and identifying transportation priorities. I have spent valuable time with our key partners at the Ada County Highway District, West Ada School District, and with the new Mayors of Ada County. Most importantly, I have sat down with our new City Council to hear their ideas, and talk about our goals for the future of Meridian. We invested time up front on these items, kept the momentum going as we worked from home, and are continuing to move them forward each day we are back in the office.

While we have progressed on these areas, it was updating our City's Comprehensive Financial Plan – or CFP – during the first 100 days that shined a light on what I hope to accomplish during the next four years. For everything I plan to share with you, I urge you to remember that the City is debt free, which is a great financial position. We need to maintain our sound financial practices of saving before we spend, to be conservative with your money, and invest wisely in our people and services. And that is what I plan to do.

The CFP is a five-year financial roadmap for the City, laying out our funding priorities. It identifies the employees and the city facilities we will need to meet the service expectations of you - our residents and businesses. It highlights how we plan to evolve as a community.

Public Safety is paramount for our community and a prominent portion of our CFP. To maintain our status as one of the safest cities in Idaho, we must first and foremost continue to invest in needed public safety facilities and personnel. This will ensure we can provide expected services and allow us to keep up the culture we have in the departments of being engaged in the community.

Over the next five years we need to open two new fire stations to serve our community. One in the northwest, station 7, and one in the southeast, station 8. This comes on the heels of opening up station 6, in south Meridian in March of this year. These stations are needed if we are going to strive for a five minute response time which is an important goal to prevent the loss

of life and property. These two new stations will bring buildings, vehicles, and personnel at a cost of \$17.3 million through 2025.

We have identified land for both stations and plan to design both facilities this fall, with construction occurring the year after, and staffing in the years that follow. Our goal is to have both stations fully operational no later than 2025, even earlier if possible. These are critical needs for our community which will take time to build and staff.

Continuing in public safety, we will also be building two police substations – one in the northwest and one in the southeast. These precincts will allow our officers and residents a more convenient location to do business, reduce the traffic on roads, and keep our community safe. While the details and funding are still being worked out, having these facilities co-located and built in conjunction with the fire stations will save the City on land acquisition, design and construction costs.

It isn't just new stations that we want to bring to the community. We need our police more connected to Meridian's residential areas. To keep up with service expectations, officers should not just go from call to call. Rather they should have the opportunity to spend time in neighborhoods engaging with residents. To do this we need a police department that is fully staffed. This puts recruitment for these invaluable positions on our list of priorities in the coming years.

Regarding our Police Department, I wanted to take a few minutes to address the national conversation regarding racial injustice. As a city and community we have zero tolerance for the type of police behavior we witnessed in Minneapolis. We are a City that values every individual. Meridian is fortunate to have a caring, compassionate, hardworking, and dedicated team of first responders. But this isn't by accident. We work hard each day to cultivate a great culture in the department that promotes treating every person with whom an officer comes into contact, with dignity and respect. This is not just an expectation of leadership, but an example that leadership sets each day.

It is important that we continue to build upon that culture. This is vital not only to myself, but to our City Council, the leadership in our Police Department, and our residents. We need to listen to the conversations that are occurring across the nation – and have our own conversations in Meridian – so we can learn from those who have different experiences than our own. It's important to engage in open and respectful dialogue as we work together to change as a society. We have started those efforts and I believe this will allow us to be a meaningful part of the solution as we continue to evolve towards a more just society building stronger ties in our community and as neighbors.

Getting neighbors and citizens out and about in our neighborhoods is also important if we are going to keep evolving. Our parks and recreation department will be focused on three main priorities over the next five years. The CFP includes efforts for building our pathway system to provide greater connectivity, continuing work on Discovery Park in south Meridian, and preparing for a new community center as part of the downtown redevelopment project known as the Civic Block.

If we are going to improve our connectivity for citizens, it needs to include our pathways and sidewalks systems. A little over a month ago I went out with our Parks and Recreation Director to ride along the Five Mile creek pathway. At the end of this ride – which did include a punctured tire thanks to a goathed – I had a new outlook on our pathways in Meridian. Originally, I was looking to pathways for a long ride with my family – a ride that itself was an experience. While I think that can still exist in some areas, I now realize that our pathway system is more about connecting people to the great experiences throughout our community.

Our pathways are a great way to connect our residents to our parks, to our schools, to our downtown, to our gathering spots. Maybe more of a 2 or 3 mile ride to a location, where we will have our experience, before returning home. It isn't about how long a connection is, but more about how many people are being connected to the places that matter to us as a community. If we can be focused on finding meaningful connections that enable north Meridian to get to downtown or the future library at Linder Village, or central Meridian to safely get to the Village or Settlers Park, and south Meridian to access places like the YMCA and Discovery Park, then we are giving people a reason to leave their car at home and walk, bike, or roll a reasonable distance for their enjoyment.

Speaking of Discovery Park, we opened up phase one this last year. That was a great accomplishment in providing our residents in the south with 27 acres of open space to enjoy. This year we have been working on the design for phase two. South Meridian has been waiting eagerly for this park, but in order to move forward, we need to check a few important boxes. This starts with the need for sewer before the park should be expanded. But as I often tell our Public Works Director and staff – development is about a lot more than sewer. It is also about safety. Residents must be safe traveling to and recreating at this great amenity.

As many of you know, the roads in this area are still farm to market roads with little to no improvements. As a City, we need to do better when we plan and open facilities ensuring needed infrastructure like roads are in place. Transportation improvements do not begin and end with roads. We also need to focus on sidewalks and connected pathways, and ensure that the public safety portions of our plans are implemented, putting park goers inside that five-minute response time for medical services.

While we need to be focused on all elements of transportation, roads were by far the largest issue I heard when I knocked on doors last year. From my perspective we have a few options. As a City, we can wait for the highway district to make the improvements. They are the road authority and receive the funding from the state for our roads. With this approach, we know the roads will be built but only after ACHD has collected impact fees from development. We could also wait for development to do the projects for us. That has worked out especially on our state highways – like the work currently being done on Chinden – but, waiting for development to occur when the problem exists today isn't the best option. We have nearly 120,000 people who call Meridian home and want solutions now.

I believe the best option is for the City to prioritize the use of city funds to address traffic congestion and invest our property tax dollars. By doing this we can aid ACHD in the

construction of needed road and sidewalk improvements at a faster pace and fill existing gaps in the mobility network today. This will ultimately make it safer and easier for everyone to get from point A to point B in our community.

To help address this issue, the CFP currently contains \$15 million for future road projects in Meridian. I am proposing to City Council that we use our fund balance for priority road improvements over the next five years. By working with ACHD and the development community, we can use these funds to get these projects done before they are planned or to help prevent projects from falling off the schedules due to pending budget shortfalls.

For a majority of these funds, I am proposing we use reimbursement agreements with the highway district – the same that developers use – to help advance road construction projects. ACHD would then repay the City with funds collected from future impact fees.

We should focus our roadway investments on projects which help Meridian residents move about our community. We should make it easier to get from where you live to where you work and where you play. We need to invest in the north/south corridors of Locust Grove, Linder, and Black Cat, and the east/west corridors of Victory, Ustick, and McMillan. We have a list of priority projects we submit to ACHD each year. That is a good start, but when needs or opportunities arise, we need to be ready.

While \$15 million for road improvements may seem like a lot, road construction is expensive. It would only help us on a few priorities, but we need to put our money to use and improve our community for today's residents.

As part of this effort, the number one unfunded road priority City Council designated is the Linder Road overpass. We saw what a huge asset the opening of Locust Grove Overpass was in 2007; a Linder Road Overpass will continue that trend. We continue to see more traffic at the Ten Mile and Meridian interchanges. Opening up a Linder Road Overpass, will pull traffic off of these roads and create another connection point for our community. From a regional perspective, this will also complete a road corridor that goes from Swan Falls in the south to the foothills in the north. It will also provide new routes for our school buses and trash vehicles that currently leave from their facilities in this area.

Another corridor which requires many partners in Ada and Canyon counties, is the rail line that connects the communities in the Treasure Valley. We need to engage the state about the positive role this transportation corridor can play in our future. This needs to start at the top with our Governor, and be included in our regional plans as the Valley continues to evolve.

Moving on - Our Public Works Department went live with the commissioning of the expansion work of the Waste Water Resource and Recovery Facility – or the Treatment Plant on June 9th. This is the result of several years of work to meet the regulatory requirements and capacity needs for our community. The project completed this year also focused on building a new first step in the treatment process by enclosing our headworks into a building where we are able to reduce the odor from the plant for our neighbors. In all, over \$81 million has been spent over the last seven years with several more projects to come in the next five years at this facility.

While the work at the Treatment Plant is fascinating and necessary, I am really excited about what is in our CFP related to water over the next five years. The number one complaint I have heard over the years when it comes to water is when it doesn't run clear. This has to do with the manganese levels of our water which we need to be mindful of. Working with our Public Works team, we have been able to move up investment plans for treatment systems at several of our wells to help eliminate brown water. They will be adding the necessary equipment to six more wells by 2025.

What do all these issues have in common? Growth. We cannot be afraid of growing or talking about it. Responsible growth solves problems. Irresponsible growth creates them.

In 2019 the City completed a nearly two year process of updating our Comprehensive Plan. This is the growth plan our community stated they wanted for Meridian. As a City, we need to let the plan be our guide and limit how often it should be amended so any changes can be looked at in the context of the full plan. We have spent over \$200,000 and countless hours of staff time engaging the community. This plan needs to mean something and should not be changed much for the first five years.

A few of the offshoots of the Comprehensive Plan coming forward to the City Council are improving the public hearing processes, evaluating and redefining how much open space is desired and what it looks like, and looking at growth priority areas.

Some have been asking "what is a growth priority area?" Well, to me it's simple. A growth priority area means areas where City services currently exist today, and where they will be in the near future. For starters, our number one priority is in-fill development. We know in-fill projects are hard but generally they do not put as much of a cost on services as a project out on the perimeters of our community. That is a growth priority area for our community.

Other priority growth areas are in southeast and northwest Meridian. As you may have heard before, these are the two areas where we are planning to build fire and police stations, investing in parks, and building additional pathways. We are also developing an area specific plan for the northwest part of our community that will eventually be on the west side of Highway 16 once it is extended. These are areas where new schools are coming online or are being planned for the future. The Meridian Library District has plans to add or increase branches in these areas. It is where we and our partners plan to invest. We need to work with ACHD and prioritize road and sidewalk improvements to get people to move safely in these areas.

I want to take a moment and encourage our development community to look for opportunities for in-fill projects. It may not always fit and this does not mean we will not consider growth in other areas, but if development occurs outside of these areas, it is incumbent upon the development community to be creative in bringing services to those areas so growth pays for growth.

When you talk about infill, there is no better illustration than that of our downtown. We are seeing progress on several projects focused on bringing the live, work, play elements to our

downtown. As I stated, infill is hard and costly. We need to use tools that we have like urban renewal to help those who want to invest in our downtown.

Recently I met with several downtown business and property owners to get insight on their future in that evolving area. I look forward to continuing these conversations which help everyone have a better understanding of the wants and needs in downtown Meridian. It is clear we need to work together so we can take full advantage of the opportunity that exists for our downtown.

I know that with redevelopment, comes several unknowns. Nonetheless projects in downtown are moving. The current project under construction across from City Hall, the Old Town Lofts, has been moving forward for almost a year working through each new challenge that comes its way.

The Keller project which had a groundbreaking earlier this spring, is looking to resume progress soon and three brand new businesses have recently opened their doors in our downtown.

We look forward to two other big projects in our downtown too, the Civic Block project and Union 93. Both of these ventures will reshape the space along Broadway Avenue. Concepts are still being put together for the Civic Block, but it will include a new community center. This will provide additional needed space for indoor activity and community meetings. I am optimistic this project will also include housing, retail, and office space.

Union 93 will be home to both residents and businesses. It will also bring new height to our downtown and start to create a skyline for our community.

These projects, and many more are moving forward because the economic situation in Meridian continues to provide confidence to developers. City Government does not create jobs. We create the environment for others to invest. Establishing a new urban renewal area in downtown will follow the efforts at Ten Mile to bring both investment and family wage jobs to our community. We need to continue that philosophy and utilize the tools at our disposal to help grow our economic base.

Speaking of jobs, as you can see, we have significantly more jobs in Meridian than people to fill them. It is great that we have job opportunities, but we continue to see too many people commute from Meridian to work elsewhere. We need to reduce the number of people leaving Meridian for work each day. We need to be focused on attracting businesses that pay employees enough to support a household to Meridian. By doing this we will reduce the impact on our transportation system, enable more people to spend time at home with their families, and see Meridian flourish.

Unfortunately, much like the rest of the world, COVID-19 has had a negative impact on employment in Meridian. We went from a 2.4 percent unemployment to 12 percent in a matter of minutes. It is our hope that as people get back to work, those numbers will bounce back particularly in the food, hospitality, and retail sectors which were hit particularly hard. However,

despite COVID-19, we continue to see investment in our community. Our development process continues to be active. In June, I attended a groundbreaking and ribbon cutting for new businesses. And we recently were notified of nearly 100,000 sf of leased space for new tenants in Silverstone and El Dorado business parks – one of which was recently reported by the media, Pill Pack, who will bring hundreds of jobs to our community.

As more residents call Meridian home and join these exciting new businesses, it is imperative that our school systems are able to catch up and provide a proper education to our children. During my campaign, I heard from countless residents that schools are overcrowded and underfunded. We have been asking the state legislature for more than a decade to take responsibility for funding our schools as called for in the State Constitution to reduce the tax burden on our local property tax payers. This funding must include buildings.

I know West Ada continues to look for ways to provide the facilities needed and educational opportunities our citizens expect. Earlier this month the patrons of West Ada did not support the supplemental levy that has historically provided additional educational days for our kids. They had also originally planned to ask residents to support a bond for needed schools, but removed the request from the ballot in light of the current financial situation. This did not help the current reality they are facing as several cities in the district are growing and evolving, but I understand their decision to do so. With the failure of the supplemental levy and with any bond for future facilities in doubt, I am urging West Ada to use all the tools at their disposal to maximize time and available space at existing schools.

As a City, we are striving to be a better partner to West Ada. We need data so City Council can make informed decisions as they consider future annexations. To help with that process, earlier this year I worked with our Planning Department to create a new position that will be focused on collaboration with our school district to better understand the impacts of this growth. Sometimes numbers don't tell the complete story and greater analysis is necessary. This position will help with that long-term planning need – for both schools and our transportation efforts in Meridian.

I also hope this position will help with the planning of new schools in Meridian. We need to do better and not repeat the efforts of Owyhee High School which was built on the edge - almost beyond - city services and basic infrastructure. The only way we can ensure students have safe routes to school is to have infrastructure in place - such as improved roads with sidewalks and pathways from nearby residential subdivisions – when schools open. To accomplish that goal we need to work with West Ada and ACHD to prioritize infrastructure to these facilities prior to them opening.

After all, families are our focus, and students are our future in Meridian.

Speaking of students, I have a few outstanding students I'd like to recognize today. One benefit of the State of the City being delayed this year, is the opportunity to present our City scholarship winners to all of you. The City Scholarship program was introduced 13 years ago and has helped to provide funding for more than 45 students to further their education. Funding for the program comes directly from the State of our City Sponsors like our presenting sponsor

D.L. Evans Bank and the other incredible sponsors on your screen who are champions of all things Meridian. This scholarship shows their dedication to our youth and the future of our community, and for that we thank them.

We caught up with this year's recipients and will hear from each of these student. So please join me in congratulating Andrea Teres-Martinez, Carson Moore, Emma Sells and Katelyn Barney.

[Video Clip]

Each of these students have been committed to making a difference in our community and are helping shape the future of Meridian. I look forward to updates as they continue to prosper at their respective colleges. Congratulations once again to all!

This year, the Idaho State Legislature took another step to determine our future as a City. Once the 2020 census is official, we will begin electing our City Council members by district. It will be the residents who live in those districts that elect who represents them on the City Council. This is a departure from our current system, but is an approach I have long supported. Due to the timing of the Census and the legislation that was passed this last year, Meridian won't need to start electing our City Council members by districts until 2023. However, due to how council member terms are staggered, I am asking the City Council to take the proactive measure to begin electing City Council by district in 2021. Work needs to be done with the legislature this next year to refine the current law, but taking these steps now in a gradual approach will work well for our community and potentially avoid issues associated with having staggered terms.

While the Legislature made this decision for us, I support allowing the residents to weigh in on issues – be it making the final decision or being advisory in nature. For that reason, I will also be working with the Ada County Clerk to bring forward legislation to the legislature to allow cities to conduct advisory votes. This will empower residents and give them a greater voice in their community.

Since we are on the topic of the legislature, one of the biggest changes facing our community is how they will address the issue of property taxes. I understand the concerns about property taxes. We all share them. Unfortunately, it is the primary tool that the legislature gives to local governments to fund services for the community. Let's take a look at the current reality:

The State Legislature has refused to take responsibility for providing facilities – or quite frankly adequate funding of operations – to our schools. Rather these costs are put upon property owners in the forms of bonds and levies, which currently make up 32 percent of most Meridian residents property tax bill.

The State Legislature refuses to allow local government to utilize other tools, such as a local option sales tax, to address community needs. This is a simple tool allowing voters to decide if they want to tax themselves for specific needs or not. Rather, the legislature places the burden to fund any additional services on property taxes.

The State legislature once again failed to adjust homeowners' exemptions, and circuit breaker relief for seniors. Failure to take action has placed a greater property tax burden on homeowners – especially our most vulnerable population. They need to take action and address this growing disparity.

For the second year in a row, the State Legislature has a working Committee looking at property tax issues. They should invite all stakeholders to the table. Any changes to the current practices should be done holistically while working together, unlike past efforts that attempted to limit the ability of cities and other taxing districts

Two areas they are likely to examine are “new construction” and the ability of cities to increase the base tax rate by up to 3 percent. These are fundamentally different issues. New Construction allows growth to pay for growth. The 3 percent allows cities the ability to keep up with the cost of doing business as it is today.

If the State Legislature makes significant changes to one or both of these elements of property tax, without providing other tools, it will have a significant impact on Meridian. I am requesting that our business community make this one of their top legislative priorities in the next legislative session. Be active in the conversation and understand the real impact the work of the Interim Committee will have on Meridian and the services we provide to the community.

So, how do we plan tomorrow while we are here today? Well, the City Council will be holding their second budget workshop on June 30th. The budget that I have provided them does not request the 3 percent property tax currently allowed by law. Now is not the time. Our businesses and residents are hurting due to COVID-19. I am urging City Council to be mindful of the current realities people are facing and not take the 3%. By not taking an increase we can provide property tax relief to our residents by working with the State and participating in the COVID-19 relief funding.

To be clear, future budgets will need to take the allowable tax increase if we are to invest in our employees who serve the community every day. This will allow us to use other tools like new construction for additional police, fire and other personnel. These future decisions by our City Council may be more difficult or encumbered by any actions taken by the State Legislature and will need the support of the community if we are to meet the service expectations of our residents in the coming fiscal years.

Moving on. As we continue to meet the level of service you have come to expect, regardless of COVID-19 or funding restraints, I can't express how thankful I am to have such a dedicated team working to serve you.

City staff is working tirelessly to meet your needs today, while helping plan for your needs of tomorrow. Our team is taking the information we learned through the Comprehensive Plan process and using it to update the City's Strategic Plan. The current plan runs through this year. Updates are in the works to focus on the next five years. While it is in the early stages, we

look forward to hearing from the community about our refined focus areas. We hope to take an updated plan to City Council for approval by the end of this year.

One area we have focused on over the past year is to find improvements in our processes easing financial and time burdens on both employees and customers. This effort was thrown into overdrive as we found ourselves working from home unexpectedly for several months this year. We took this as an opportunity to examine our processes even further and make improvements that increase the public's access to government, and bring more services available online. Giving people access to our services from the comfort of their home or office has proven more important than ever. Whether we are recruiting our jobs, processing development applications, or looking for ways to take public testimony, we are committed to being easily accessible both in person and online in the services we provide. The trials brought forth by COVID-19 were a true testament to not only our employees' abilities, but their commitment to our customers. We intend to keep the momentum moving for continuous improvement.

While our staff is great, we could not do what we do without our volunteers who are each a bright light to our community. I want to speak about one in particular.

Over the years, I have seen some amazing community members accept the Mayor's Legacy Award. It is humbling to be able to present the award to a dedicated member of our community. Known by many as The Godfather of Meridian Parks and Recreation... and for a good reason, this Meridian resident and local businessman has been volunteering as a member of the Meridian Parks and Recreation Commission continuously since January of 2000.

Prior to being appointed to the Parks and Recreation Commission, the Godfather volunteered with Meridian's March for Parks and served on the Friends of Meridian Parks organization, raising funds for needed park projects.

In addition to several leadership roles on the Parks and Recreation Commission, the Mayor's Legacy Award recipient has served the City of Meridian on its Golf Course Advisory Committee, Downtown Revitalization Committee, and its Pathways Committee. In the community, he has also served as a volunteer coach for youth athletics.

When asked why he has served as a City volunteer for so long, this year's recipient replied, "It's for the kids!" He remains extremely committed to preserving future park space in our community; developing quality neighborhood, community and regional parks; and enhancing the connectivity of our city's pathway system.

I am honored to present the 2020 Mayor's Legacy Award to Mr. Creg Steele, who of course accepted this award in his favorite park.

[Video Clip]

Congratulations once again Creg.

I ran for Mayor to ensure Meridian remains a safe community built around families. To meet that goal and to be a premier city, we need to improve our roads, schools, and libraries as much as our core services. I have laid out an ambitious plan that will allow our community to thrive. We and our partners have challenges we must face related to growth, the impacts of COVID-19 on the economy, and the conversations our nation is having regarding racial justice. These are challenges I am confident we can address as a community.

If we are committed to getting people safely from point a to point b, growing responsibly, listening with an open heart, and staying focused on our families, I am confident that Meridian will be the West's premier community in which to live, work and raise a family.

The State of the City is evolving and I am excited for what lies ahead!

Thank you Meridian.