



2017 ORO VALLEY STATE OF THE TOWN ADDRESS

Mayor Satish I. Hiremath, DDS

Good afternoon everyone. On behalf of my colleagues and the staff of the Town of Oro Valley, welcome to the 16th annual State of the Town Address.

Before I get started, I want to begin by recognizing my fellow Councilmembers who are with us today: Vice Mayor Lou Waters and Councilmembers Joe Hornat, Rhonda Piña, Bill Rodman, Mary Snider and Steve Solomon.

I would also like to offer my sincere thanks to the Greater Oro Valley Chamber of Commerce board of directors, President and CEO Dave Perry, and each of the sponsors who made today's event possible. Your ongoing partnership with the Town of Oro Valley is deeply valued and appreciated.

And as always, a big thank you to the Hilton El Conquistador General Manager Ghee Alexander and his team for their hospitality and outstanding service. I would venture to say that the level of service you provide is unmatched by anyone in the hospitality industry. You make our town proud.

Ladies and gentlemen, it is an honor to deliver my 8th State of the Town Address as your mayor. I am excited to update you on what we have accomplished this year, as well as how we continue to achieve success as a community.

The answer in a word: Adaptability.

Long-term success is a result of adaptability.

When we are able to adapt, our minds and our eyes are wide open. We are deliberately searching for opportunity and seeking creative solutions. We are reaching beyond our comfort zones to create new partnerships. And more importantly, we don't confine ourselves to the proverbial "box."

For government, adaptability means we can adjust to the changing needs of our citizens.

Adaptability is a "ready position" from which we can better serve and lead. It is from this ready position that Oro Valley's elected officials and professional staff have been able to make bold moves and sound decisions to support our community's values and forge new paths.

One of those community values to which I am deeply committed is arts and culture.

Last month marked the Town's 20th anniversary of the 1% for Public Art Program, which requires that commercial developers set aside one percent of a project's total budget for the creation of public art. As

a result of this ordinance, there are now more than 150 pieces of public art throughout the Town, available for everyone to enjoy.

That visionary move in 1997 demonstrated Council's commitment to the arts, which raised awareness and set into motion a movement that elevated the value of arts and culture in day-to-day living. Since then, the Town's arts and culture offerings have grown far beyond public art, to include everything from live music to gallery-style exhibits. I couldn't be more proud.

To mark that 20th anniversary, we invited residents and visitors to join us for a month-long Celebration of the Arts in September, which included, among many things, free admission days at Children's Museum Oro Valley and Tohono Chul Park. If you were one of the many businesses and organizations who participated in our celebration by offering discounts or special events, please stand and let us recognize you.

Thank you for supporting the arts in Oro Valley.

I have been quoted as saying "The health of a community is often measured by its financial stability, public safety and infrastructure, but the soul of a community is defined by its arts and culture."

This year, we received national recognition for our arts and culture offerings.

In January, I had the honor of accepting the 2017 National Award for Local Arts Leadership for cities and towns with a population under 100,000, by the Americans for the Arts and the United States Conference of Mayors in Washington, D.C.

This award is only given to two mayors nationwide, and it is truly a reflection of the entire community. We are a community that values public art. We have been willing to invest the time and resources into developing our arts and culture, and the results have been extraordinary.

In case you haven't noticed, Oro Valley has an emerging arts and culture scene.

Just this past year, we offered 35 free public concerts in partnership with the Southern Arizona Arts and Cultural Alliance, and we continue to offer free public art tours twice a month.

And in the spirit of adaptability, we've partnered with two retirement communities to bring free, public art tours right to residents' doorsteps. Now, our friends at Splendido and Fairwinds Desert Point can enjoy public art even when they are unable to travel.

Adaptability in the arts has also resulted in a unique partnership with Tohono Chul Park, world-renowned botanical garden, right here in our own backyard. In an ongoing effort to promote arts, culture and tourism, Town Council approved a financial participation agreement with Tohono Chul to build a 420-seat event pavilion. I want to personally thank Dr. Christine Conte and the board at Tohono Chul for investing in our community.

And just last weekend, we hosted the third annual "I Heart Radio" Oro Valley Music Festival. Thanks to our partnership with Rich and Rob Elias and the team at Golf Club at Vistoso, this successful event has grown into a two-day festival. It attracts more than 11,000 attendees, bringing national musical talent right to our front door.

But... before this turns into a State of the Arts Address, let me turn to some of the other exciting developments we've seen this year!

One of the primary benefits of adaptability in leadership is being able to respond to the changing needs of our citizens and partners. So when the University of Arizona's Humanities Seminars Program wanted to offer its premier adult-education series off campus for the first time in Oro Valley, we were ready.

More than 40 students registered for the initial course, which was held in our Town Hall Council Chambers. Another course begins next week, with a new roster of students enrolled.

I want to thank University of Arizona President Dr. Robert Robbins and Dr. AP Durand, Dean of the College of Humanities, for expanding their course offerings into Oro Valley.

The University's presence in Oro Valley reflects our growing partnership and our commitment to ensuring that residents have high-quality educational options.

Another example of adapting to the community's needs is what is currently happening at Naranja Park.

Earlier this year, members of the community—including youth sport parents, athletes and Oro Valley user groups—asked Council to take action to construct additional sport fields at Naranja Park.

While the Town Council adopted a 2015 Naranja Park Master Plan, our pay-as-you-go approach to phased development was progressing too slowly to keep pace with user demand. So, after many conversations with user groups, stakeholders and a design firm, a proposal that meets the community's request was presented, along with a plan for financing.

The proposal is a partial build-out of the Master Plan, and includes only the elements that the community and park user groups have identified as being in greatest demand. The project would be funded through the issuance and sale of \$17 million in general obligation bonds to be repaid through a secondary property tax, which sunsets after 20 years.

By law, Town Council cannot impose a property tax—only the voters can. So, this November, Oro Valley voters will decide on Prop 454.

I'm not going to advocate that you vote for or against this bond. But I am going to advocate that you learn the facts of Prop 454 so that you can make an informed decision on Election Day. Please visit the Town's website to learn what's included in the project and what it will mean for Oro Valley taxpayers.

The fact that this item is even on the ballot for voter consideration is a direct result of Council's willingness to adapt to the community's needs. Whether or not it passes will be entirely up to the voters.

Most of our decisions are driven by the needs of the community, and that means we are continuously assessing and evaluating the effectiveness of our programs and protocols.

This year, we were challenged to adapt our approach to the development review process.

The goal was to streamline the experience so it was more efficient for residents, staff and the development community.

The solution was to consolidate the Conceptual Design Review Board and the Planning and Zoning Commission. But that didn't happen overnight, and it didn't happen without a little trepidation.

Organizational changes of this scope require adaptability not just at the top, but at every level of the process.

I'm proud to say that after much collaboration and planning, our Town Council approved a Zoning Code amendment for consolidation. We now have one review body to track all phases of development.

This means we are better able to eliminate duplication of site plan review, improve the experience for the development community and reduce the demanding time commitment for residents, allowing their concerns to be addressed earlier in the process.

The new ordinance enables staff-level approval of site plans that conform with Council-approved rezoning plans... all while upholding the standards of excellence that our community expects.

Adaptability.

Now, I'll admit... adaptability is a tricky word. We all have varying perspectives of what it means. So let me clarify something important.

There are some who would have you believe that adaptability is just another name for concession or compromising your core values.

That is not adaptability.

Adaptability is being able to hold firm to your core values, while considering creative approaches and opportunities.

And for this Council, that means governing without fear.

The Town of Oro Valley has done a superior job of holding firm to core values such as arts and culture, parks and recreation, public safety, economic development, healthy growth and fiscal responsibility.

In fact, 2017 has been a big year for public safety.

On January 6, 2017, the Town of Oro Valley, in a bold move, enacted a hands-free ordinance, banning the use of cell phones while driving, making it a primary offense.

Arizona is one of only two states in the entire nation without a law prohibiting distracted driving. Our actions have ignited this important conversation, and other Arizona communities are following suit.

Simply put: This effort is about public safety.

And I'd like to thank Vice Mayor Lou Waters, Councilmember Mary Snider and Lieutenant Chris Olson for leading the charge, in partnership with Executive Director Brendan Lyons of LOOK! Save A Life.

In the first six months of the ordinance, Oro Valley Police officers issued 1,217 written warnings as part of their community education efforts.

Together, we are making our roads safer for drivers, children, pedestrians and cyclists.

Another thing we can do together is reach out and help those in the community who are underserved or who need extra support. And there is one group in particular that has been a priority for me: our veterans.

Several years ago, I helped launch the Oro Valley Veterans Support Initiative, and I have continued to advocate for our veterans.

This year, we've made even greater strides.

Town Council adopted a new hiring policy which guarantees an interview to any eligible veteran who meets the qualifications for an open position. The Town of Oro Valley is a veteran-friendly employer, proud to support those who have served in the military.

We continue to partner with the Veterans and First Responders Living Memorial, LLC, for the development of a memorial at Naranja Park. This effort, which began in 2015, seeks to construct a place of honor, reflection and education, dedicated to those who have made sacrifices in service to their country. Although the Town has donated the land for this memorial, the LLC is working hard to raise funds for its construction.

To that end, the Town partnered with Julie and Mark Stark, Oro Valley residents and owners of On Your Left Fitness. Together, we hosted the inaugural Veterans and First Responders 5K run/walk and Memorial Mile in May. Half of all proceeds benefitted the memorial fund, and we hope you'll plan to join us for the event next year on May 19.

It is only through community support that this memorial to our veterans and first responders will come to fruition.

The Veterans and First Responders 5K is one of the many events we host every year with the goal of improving quality of life for our residents, while attracting teams and visitors to our outstanding parks and recreational amenities.

And in case you hadn't heard: Major League Soccer has arrived in Oro Valley!

Thanks to our ongoing partnership with FC Tucson, the Hilton Resort and Visit Tucson, Major League Soccer rolled into Naranja Park in 2016 with Sporting Kansas City and Columbus Crew. And earlier this year, the New York Red Bulls used our fields for practice, and put on a free scrimmage game against FC Tucson.

I am pleased to announce that Major League Soccer will once again return to Naranja Park in 2018!

I want to thank FC Tucson General Manager Jon Pearlman, Visit Tucson President/CEO Brent DeRaad, and Hilton General Manager Ghee Alexander for their continued commitment to retaining Major League Soccer in Oro Valley and the Tucson region.

And don't forget that big things are still happening over at the Oro Valley Aquatic Center.

I'm excited to announce that the 2018 USA Synchro Collegiate and U.S. Senior Championships will be held there in March. This event, which is hosted by the Arizona Synchronized Swimming Association, will bring more than 200 athletes from 20 collegiate clubs and teams from across the country. Additionally, swimmers ages 15 and up, from all over the U.S. will be vying for medals.

And here's some news hot off the press: I've just learned that the finish line for the 2018 Tucson Marathon will now be right here, in Oro Valley.

Whether you're a sports fan or not, it's important to remember that these major events are coming to Oro Valley because we have invested in the development of recreational facilities that are of such high quality, they meet the standards for national competition, and when they aren't in use for competition, our residents have daily access to those very same, world-class facilities.

More importantly, sports tourism is a 9 BILLION dollar industry nationwide. These events bring thousands of athletes and guests into our hotels, restaurants and shops, where their sales tax and bed tax dollars are invested right back into the Town of Oro Valley.

That translates into financial resources to fund Town services and amenities. This is why the Town of Oro Valley continues to invest in economic development opportunities that support our businesses and attract visitors, all while simultaneously improving quality of life for our residents.

We have a healthy business community, with a growing list of restaurants and retail. Just this year, thirty-seven new businesses opened their doors in Oro Valley, and another 44 home-based businesses applied for a business license.

As you know, Oro Valley is home to global bioscience and hi-tech companies, such as Roche Tissue Diagnostics, Icagen and Securaplane. What you may not know is they have a challenge when it comes to our shortage of workforce talent.

So to help with Oro Valley's business retention and recruitment efforts, Tucson International Airport and Alaska Airlines recently launched a daily, nonstop flight to San Jose.

As the hub of Silicon Valley's tech industries, San Jose is a critical pipeline to future workforce development, not only for Oro Valley, but for the region as a whole. This flight has the potential to be the spark that changes our landscape of bioscience and high-tech workforce development.

It is now up to all of us in this room to fill those flights!

I want to congratulate President/CEO Bonnie Allin of the Tucson Airport Authority and her entire team for securing this nonstop flight.

The Town of Oro Valley looks forward to working with the Tucson International Airport to continue to attract and retain air service in the Oro Valley/Tucson region.

As we continue to welcome large employers and a talented workforce to the region, there has been significant post-recession growth and recovery, as more homes and businesses are being constructed.

Sometimes, statistics do a better job of painting the picture, so let me throw a few numbers at you.

There were 340 single-family building permits issued in the past year, as of October 1. There were 264 issued for the same period of time in the previous year, and just 128 the year before that.

That works out to a 29 percent increase in just two years. Talk about a positive trend!

Some of the notable projects we've been working on this year include schools, restaurants and housing developments.

Two new schools opened their doors this year: Leman Academy and the Amphi District's new STEM school—Innovation Academy. These schools have strengthened the Town's reputation for quality educational choices and nationally-ranked schools.

New restaurants include: Native Grill and Wings, Freddy's, Kneaders Bakery and Rosati's Pizza.

And coming soon are Ragazzi Italian Restaurant and Growler USA, a craft beer pub.

On the housing front, we've got several new subdivisions by Mattamy and Meritage in various stages of construction.

All told, since this time last year, our total valuation of work, which includes construction of infrastructure, building materials, grading and labor costs, represents nearly 180 MILLION dollars in new, private development throughout the Town.

While these numbers and projects certainly show healthy growth in the housing market and increased demand, the fact is, we are approaching build out as a community.

That means we must be thoughtful about the choices that are left for vacant land in Oro Valley. Smart choices set us up for economic stability. Smart choices will help our Main Streets thrive, our workforce grow and Innovation Park expand.

As a community, we have great diversity in business—everything from global corporations to home-based businesses. And we need to have even more diversity in housing choices that reflect the needs of the community and its workforce. This will help us sustain our momentum as a complete community, and it ensures the Town's economic growth and stability.

This leads me to the Town of Oro Valley's financial health.

There is a lot of misinformation floating around regarding the Town's financial picture, so let me clear up a few things.

Since 2011, the Town of Oro Valley has ended every fiscal year in the black.

You heard me correctly. Every year since 2011 has ended in the black.

In fact, we wrapped up Fiscal Year 2016-17 \$2 MILLION in the black. And yes, that includes the Community Center and golf operations.

More specifically, in the General Fund, which is our main operating fund, the year-end balance increased by nearly \$2 million, to a balance of \$12.5 million. This “savings account” is 37% of our Fiscal Year 16/17 expenditures, and well above our mandated policy level of 25% of expenditures.

This is the highest our fund balance has been since Fiscal Year 2012/13, and it helps the Town maintain its excellent “AA” investment-grade bond rating.

The Town’s strong position and fiscal responsibility year after year are the result of thoughtful and intentional management. Increased revenues from local development activity have certainly been a big boost, in addition to strong consumer confidence. Sports tourism activities continue to attract visitors to our community. And I’m proud that our departments continue to demonstrate responsible control over spending.

It has truly been an exciting and successful year!

That success is due, in no small part, to our hard-working staff. Council may shoulder the burden of setting policy and providing direction, but it is your Town staff who make it happen, each and every day. In my opinion, their dedication, talent and expertise are second to none, and we are so grateful.

If you are a Town of Oro Valley employee, please stand and be recognized.

Thank you for your service.

This is also the part of the speech where I get to recognize and thank the town manager, but this year, I have two town managers to thank!

When our former town manager left in the spring of 2016, Police Chief Danny Sharp stepped in to fill the role of interim town manager while we searched for a new one. None of us knew at the time that we would need him in that role for 18 months, while we continued searching for the right person.

Danny, thank you so much for your management and guidance during this time of transition. You’ve done a remarkable job, for which I am deeply grateful.

Chief Sharp, please stand.

Much to Danny’s relief, we did eventually find the right person for the job!

This individual joined us after 17 successful years with Sierra Vista as the chief operating officer. She’s only been on the job for a month, but she’s already rolled up her sleeves and is hard at work. She’s an

enthusiastic person with a wealth of knowledge and experience. I have full confidence in her ability to successfully lead Oro Valley staff. She's already getting great reviews.

And in case you haven't met her yet, it is my pleasure to introduce Mary Jacobs, your new town manager.

Mary, please stand.

I would also like to take a moment to recognize my family. It is no small task being the family of an elected official—especially a mayor. And year after year, they have put up with me and supported me. It's hard sometimes, but they always stand by me, and for that, I am eternally grateful.

As I wrap things up, there is one last thought I want to leave you with. Actually, it's more of a challenge.

This particular challenge is one that I recently issued to the mayors and councilmembers from across the state at the Arizona League of Cities and Towns Annual Conference.

I asked the other elected officials to “adopt the mindset that governance should be non-partisan, because we are elected to serve every member of our respective communities. So, when we are asked to consider new services, programs and initiatives, it is our responsibility to consider these ideas based on how they will impact quality of life; not on whether they are Democratic ideas or Republican ideas.”

That mindset requires a tremendous amount of adaptability. We simply cannot get mired in party politics. Our collective goals are too big... too important for that.

I would like to issue a similar challenge to you.

When you are met with differences of opinion or conflicting agendas, be adaptable in your dialogue with others. Don't be trapped by ideology. You can still hold firm to your core values while thoughtfully considering the ideas and opinions of others.

Adaptability puts you in a “ready position” that will help you navigate those inevitable forks in the road.

As leaders, when we are not adaptable, we are not prepared to consider new opportunities. Instead, when we arrive at that fork in the road, we choose the familiar and we often default to the status quo.

I am here to tell you that long-term success is achieved only through adaptability.

Adaptability empowers us to find the commonalities that unite us.

Without it, all we can focus on are the differences that divide us.

In short, when we practice the art of adaptability, our conversations and relationships will be even more rewarding, productive and meaningful.

It is truly an honor to be your mayor. Thank you.