

The following transcript is provided for your convenience, but does not represent the official record of this meeting. The transcript is provided by the firm that provides closed captioning services to the City. Because this service is created in real-time as the meeting progresses, it may contain errors and gaps, but is nevertheless very helpful in determining the gist of what occurred during this meeting.

>> Ladies and gentlemen, please take your seats. The 2006 state of the city program will begin shortly. Thank you.

>> Ladies and gentlemen, please take your seats. The program will begin in three minutes. Thank you.

>> President Kassing: good evening. Welcome to the 2006 state of the city address. Thank you for being here tonight. My name is Don Kassing. I'm the president of San Jose State university. [applause] It's exciting to be in this beautiful new rotunda. This will be the first state of the city address to be given here. The whole City Hall complex is amazing. I have had a chance to be on the 17th and 18th floors, and the views of the city and the mountains, and of course the University, are absolutely magnificent. At the university, we are delighted to have City Hall back downtown. In my career, I've worked at four other campuses. Two were rural settings and two were in suburban areas. There's no question in my mind that for a university, an urban setting, right in the heart of the city like we have in San José is the best. I think this is one of the best locations in the country for a university. There's a synergism here -- rich opportunities to connect not only with the city, but with the business community, the arts, and so much more. We are surrounded by museums and great restaurants and theaters. There are so many ways for our students to become engaged in this vibrant place. You know, a great city always has a great university. -- can I say that again you guys? A great city always has a great university. [applause]

>> President Kassing: Right? San Jose State is the fifth largest comprehensive university in the United States, and we are proud to carry this city's name. We know that mayor Ron Gonzales understands, by working together, the city and the university both become stronger. We had a wonderful success with our partnership on the Dr. Martin Luther King, Jr. library. And we appreciate the mayor's overtures to expand on that success. Right now, we're developing an exciting agenda for projects for future collaboration, ranging from a public sector career initiative to a faculty/staff Housing initiative. So I'm pleased to be here tonight and San José state is pleased to be part of this great city. Now join me in welcoming members of the San José City Council and The mayor of San José, Ron Gonzales [applause]

>> President Kassing: Please stand while Estetica from Lincoln high school sings the national anthem. ¶ O, say can you see, by the dawn's early light ¶ What so proudly we hail That the twilight's last gleaming Whose broad stripes and bright stars, through the perilous fight O'er the ramparts we watched Were so gallantly streaming ¶ And the rockets red glare, the bombs bursting in air Gave proof through the night ¶ that our flag was still there. O say does that star spangled banner yet wave ¶ O'er the land of the free And the home of the brave The brave ¶¶ [applause]

>> President Kassing: Thank you. Please be seated. Please welcome preacher Pa-ha-Wa for this evening's invocation.

>> Good evening, everybody. The prayer can be said in just one word, or it can be in countless words. We will be in between somewhere and still allow some time for the rest of the program. I'm kidding. We'll take only about four minutes or

so to say what we need to say. And if you please join me, respectfully to stand up. Just outlining couple of points in the prayer. The first part of the prayer will be exactly according to the Sikh religion. And that will be in Punjabi language, the next will be in English. Each paragraph I will say three times the word Wahagru. That is just the name of God in English it is God, in Punjabi it is. Feel free to say that with me, otherwise pray from your heart as you know how. [punjabi speech] After praying and remembering almighty God, and all the gurus, let us remember the five chosen ones by the tenth guru, the 40 disciples, true disciples and countless others who gave their lives for the freedom of the spirituality and the humanity who allowed to be boiled alive in boiling waters, cut their body limbs by limb, and many other unthinkable tortures but did not allow their soul to be sold. Respectfully remembering all those, please say Wahagru, Wahagru, Wahagru. Let us remember the five pillars of spirituality and all other sacred places, Gurdwaras, respectfully remembering all those places please say Wahagru, Wahagru, Wahagru. Foster present almighty God, we all pray as you taught us through Grunank, [chanting] oh creator of the world, please save this burning world with your grace. It is you who said through Grunank, there is only one father, and we are all his children. Good or bad, we are all yours. No matter what color, race, gender, or religion we belong to, but at the end, we all belong to you. Save us, help us, almighty God, bless us and bless our great nation, United States of America, one nation, under God, and bless our leaders of the free world, provide them power, wisdom, and ability to help others around the world for their freedom. Bless our beautiful state of California and our city of San José. We are gathered here in the City of San José to pay on behalf of all elected city officials. Almighty God as you created millions of stars, planets, moons and suns, and provided power, they are all traveling moving and functioning properly, but still staying in balance. Please provide some of the same power wisdom and ability to all of these public servants to fulfill their duties honestly, faithfully, and still remain in balance, give them the humble heart to help others, give them the bright wisdom to make the right decisions and allow them to have great cooperation with each other so they can resolve any and all issues before them. With this we conclude our prayer and by the sake of Nanex name, make all of deserving enough to attain the highest truthful successful life and let it be the same for everyone. [chanting] Thank you so much for listening and joining the prayer. [applause]

>> President Kassing: Every year the mayor and City Council recognize outstanding residents, community organizations and city employees who have worked hard to make our city and our neighborhoods great. The folks wearing blue ribbons that you see this evening designate this year's honorees. After tonight's event, please take a moment to grasp them and -- congratulate them and thank them for their contributions to our city. Please watch this special video with me about their achievements. Please hold your applause until the end at which time please feel free to cheer for them at the end of the video.

>> The 2006 good neighbor recognition awards. The mayor's nominee is Terry Roberts, deputy City Manager for the City of San José. Terry began his

partnership with the people of San José in 2001, and he immediately was given the tremendous responsibility of making sure the City's capital improvement program delivers an incredible range of community projects, on time and on budget. Over the past five years, Terry has done exactly that. He established a nationally recognized project management system and a team that keep track of a remarkable \$3.5 billion construction program that has seen the completion of over 800 projects. These projects include the new City Hall, airport improvements, neighborhood tot lots, branch libraries, and community centers that are improving the quality of life for San José residents throughout the community. Every neighborhood in San José can thank Terry and his team for their hard work in delivering high quality results. Terry Roberts, we thank you for your leadership and your dedication and hard work that have made San José a wonderful city to live and work in.

District 1. Ken Kelly. As a child, Ken Kelly learned how to be an outstanding volunteer by watching his mother volunteer her time, energy, and warmth to wartime collection drives. Since then, he has expanded on those early lessons by volunteering with community groups including the master composters, Salvation Army, goodwill industries, San José chamber of commerce ambassadors, and Silicon Valley crime stoppers. Ken is a committed and dedicated environmentalist, activist and leader. He serves his community as president of his neighborhood association, a member of the Blackford neighborhood advisory committee, and a representative on the Winchester business association. His other interests include working with strong nature initiative programs, and he can usually be found spending his spare time keeping our city clean. Ken Kelly, we thank you for your commitment to the neighborhoods of district 1 and the city.

District 2. Southside senior and community center nutritional staff. Nutrition is the key to staying mentally sharp, emotionally balanced energetic later in life. The nutritional staff of the Southside community and senior center provides companionship and excellent meals for the seniors of District 2, and they always cook with a smile, and good taste. On top of their normal daily average of 85 meals, Bryan enos, Greg Felice, and Barbara Heinenann, regularly provide over 150 meals for seniors for special occasions such as Christmas, St. Patrick's day and other holidays and events. The Southside nutrition staff is very dedicated to their work, and they consistently provide an excellent quality of service to our seniors. We thank you for your passion, skill, energy, and commitment to helping our seniors stay healthy and engaged in their community.

District 3. Megan's law task force. San José is committed to ensuring that our families are safe from all threats and to keep us the safest big city in America. Last October the City Council created the Megan's law task force to improve the ability of local law enforcement to monitor registered sex offenders living in our neighborhoods and to improve protection of children and families. The task force brought together a diverse group of people committed to solutions. They included state senator Elaine Alquist, police chief Rob Davis, police and sheriff's officers, state parole and county probation, housing experts, shelter and rehabilitation operators, and neighborhood leaders from around San José. The task force worked quickly and effectively to make a

range of solid recommendations to the City Council that will enhance communication, coordination, and commitment to protect our residents from sexual predators. Members of Megan's law task force, we thank you for your passion, energy, and commitment to the safety of San José.

District 4. Berryessa art and wine festival committee. The Berryessa art and wine festival planning committee has worked hard to successfully plan and implement an enjoyable annual celebration that is shared with our entire community. The committee's community volunteers have worked tirelessly over a period of many years, giving countless hours to ensure that the Berryessa art and wine festival is always among the best community events in San José. Some of the volunteers have dedicated over a decade of their expertise and experience, and as a result of this sustained commitment, the festival has a history of 30 years of success serving the people and businesses of both the Berryessa area and San José. We applaud the members of the Berryessa art and wine festival committee for their time and talent to one of our oldest and best known neighborhood events in San José.

District 5. Alum rock village business association. The alum rock village business association allows business owners in the alum rock area to take an active role in shaping their neighborhood business district. With the involvement of the business association, there were immediate positive changes in the alum rock village neighborhood. These included an enhanced parking program for business customers and employees; improved public signage, a street banner project, and numerous pedestrian and traffic safety improvements. The association also hosted a free small business workshop and collaborated on a marketing project with the alum rock library. The members of the alum rock village business association have shown their strong and effective commitment to their surrounding neighborhood through their partnerships with the community and their model of success. For this we thank you.

District 6. Willow glen neighborhood association. The willow glen neighborhood association was founded by a committed group of residents who were concerned about improving the quality of life in their neighborhood. The association has inspired neighborhood camaraderie and involvement while working to make their neighborhood a place residents are proud to call home. The association is an effective advocate for quality-of-life issues such as parks, trails, traffic calming, code enforcement, crime prevention, and a vibrant business district on Lincoln avenue. Members of the association routinely monitor neighborhood developments and organize the community concerning these projects, including representation at San José Planning Commission meetings. Their work has created a genuine sense of community, inspired better design, and renewed civic pride. We applaud the members of the willow glen neighborhood association for the countless hours they have invested to make their San José neighborhood a great place to live.

District 7. West Evergreen neighborhood association. The west Evergreen neighborhood association has been continually active in voicing the concerns of residents and working with City Hall to improve the quality of life of their community. The west Evergreen neighborhood association has become a model grass roots organization because of the commitment and passion of its

members that have empowered residents to create a strong and thriving community for the benefit of all. The extraordinarily successful efforts of West Evergreen neighborhood association have included neighborhood cleanups, litter pickup days, national night out, and the annual end-of-the-year celebration when every child receives a gift from the family giving tree. The group has also been very successful in involving young people in these activities. West Evergreen neighborhood association, we thank you for continuing to work diligently with the residents to improve the quality of life in district 7. District 8. Evergreen visioning project task force. The Evergreen visioning project task force was established to look closely at the future of district 8 in order to develop guidelines and goals for growth and development. The task force includes 35 neighborhood association leaders, school district representatives, and business and nonprofit professionals who have worked tirelessly over the past two years to plan Evergreen's future. They have focused on development proposals, affordable housing, school impacts, environmental issues, and traffic impacts in order to understand the examples of smart growth and balanced development. The members of the Evergreen visioning project task force have become local experts in the complex field of planning and development in order to make informed and valuable recommendations to benefit the residents of both district 8 and the entire City of San José. We applaud the members of the Evergreen visioning project task force for their leadership and commitment to a bright future in district 8. District 9. Luis Urbina. Luis Urbina has given over 4,000 hours of outstanding volunteer service and community support in the Cambrian community as an adopt-a-park volunteer at Hogue park for the past seven years. Mr. Urbina is a tireless volunteer whose extra help in maintaining and enhancing the 14 acre park includes hand-watering trees, reseeding the turf, and planting shrubs. He is also an exceptional tree amigo with our city forest where he mentors other volunteers in tree planting and pruning, and he has volunteered for 52 work projects since 2004. Luis offers a winning smile and friendly greeting to all park visitors, making him an invaluable community builder and an inspirational model for neighborhood pride and community service. Luis Urbina, we thank you for your volunteerism and commitment to keeping your community beautiful. District 10. Almaden valley women's club. The Almaden valley women's club was established in 1965 by a group of women dedicated to improving their community in the Almaden valley area of San José. Over the past four decades, the devoted members of the Almaden valley women's club regularly inspired social, civic and cultural improvement of their community. Through their hard work and sustained commitment, the members of the Almaden valley women's club have served the needs of the Almaden community, including a successful commitment to organize the annual Almaden valley art and wine festival. The funds raised at the Almaden valley art and wine festival benefit a variety of nonprofit children's foundations, educational facilities, teen programs and community organizations. They also benefit the club's own scholarship program that recognizes the service and leadership of outstanding high school students. Almaden valley women's club, thank you for your outstanding commitment to the betterment of district 10. The

2006 pride of San José awards. Marianne bourgeois. Administrative officer, San José police department. As the Chief financial officer for the San José police department for the past seven years, Marianne bourgeois has been the guiding force for developing performance measures and documentation that enable the Public Safety city service area to track and evaluate its services to the community. Marianne works in a complex interdepartmental environment that supports the police and fire departments, the office of emergency services, and the office of the independent police auditor with professional program evaluation and design for data collection, information tracking, and performance evaluation. She has always provided valuable vice on balancing the community service needs of the department with creative ways to enable the public safety city service area partners to maintain San José's status as the safest big city in America. Thank you, Marianne for your invaluable role in helping to keep the residents of San José safe. Randal turner and Matt Morley. Deputy director and building management administrator, general services department. By focusing on customer needs and working closely with all city departments, and mayor and council offices, Randy turner and Matt Morley led the team that successfully opened our new San José City Hall on time last summer with minimal disruption to employees and the public. They did an exceptional job in staging the complex ten-phase move that was completed on schedule and relocated 1800 employees from numerous locations while ensuring that services to the community continued uninterrupted. Randy and Matt created a move liaisons group that encouraged every office affected by the move to resolve issues, prepare staff, and ensure a smooth relocation through comprehensive communications. The group also instituted a program to manage records more effectively and discard redundant materials in order to improve efficiency of storage and retrieval. This resulted in the recycling of over 13 tons of paper that did not need to be moved. Randy and Matt's dedication to customer service is evident in their proactive and immediate responsiveness during a period of tremendous transition and change. They were a model of professionalism and patience that met our highest expectations. Thank you, Randy and Matt. Homicide investigators and crime scene units. San José police department. San José police homicide investigators and crime scene unit have the serious responsibility of investigating all homicides, suicides, mental health holds, unattended deaths, and officer-involved shootings in San José. Together they mobilize and coordinate departmental resources, integrate the assistance of residents and community organizations, and use the most up-to-date tools for crime and data analysis. The results are impressive as they identify and locate suspects quickly to ensure rapid and safe apprehensions. In 2005, the homicide unit successfully closed 93% of homicide and death cases. This is one of the best track records in the country, and is significantly better than either the national clearance rate of 55% for major U.S. cities or the clearance rate of less than 30% for large California cities. The unit also solved seven cold cases by reexamining physical evidence using modern technologies and methods, along with the painstaking re-interviewing of witnesses and suspects involved in cases that go back decades. The unit's

detectives handle affected families of victims with great compassion and empathy, which also contributes to professional reputation of the San José police department, its good relationship with the community, and its success in solving violent crimes swiftly. We applaud the homicide investigators and crime scene units for their dedication and skill that help protect the safety of our community and improves quality of life for our residents. Tully community branch library staff. Prior to the opening of the new Tully community branch library in January 2005, library staff embraced this diverse community by asking residents for their advice about services, facilities, and materials that would meet the needs of this neighborhood. In order to be relevant to this vibrant community, where Spanish, English, and Vietnamese are all primary languages of residents, it was critically important to include the neighborhood in planning and decision making. As a result, the Tully community branch library is a welcome, and welcoming, addition to this area of San José. The library has a strong Spanish and Vietnamese language collection, as well as a wide selection of materials and computer programs that help residents learn English. The library is host to an extensive network of public services and community organizations that offer a broad variety of programs to meet the diverse array of educational, cultural and age interests. As a result of the staff's efforts, the Tully community branch library averaged 40,000 visitors and 118,500 items checked out each month during its first five months of operation. This ranked second highest among all San José branch libraries in terms of visitors and circulation. We thank Tully community branch library staff for its leadership and innovation in providing excellent educational and cultural programs for our neighbors. Towers lane project team. Department of Public Works, Department of Transportation. Redevelopment agency. For the past half century, towers lane was a private dirt road that was the only access to nine homes and a church in the west Evergreen neighborhood west of highway route 101. Over the decades difficulties in securing neighborhood consensus and funding blocked the progress to a solution. With the dedication and persistence of neighborhood residents, the west Evergreen strong neighborhood initiative committee, and councilmembers from district 7, the towers lane project team was finally able to get the road paved and improved to meet public street standards last year. The interdepartmental team of nine employees led this \$1.5 million project that included utility relocation, replacement of fences, gates and mail boxes, street paving and construction of curbs, gutters, sidewalks, and driveways, storm drains and sanitary sewers, and the placement of new street lights and new street trees. The residents of towers lane worked well with the team as a result of its continuous communications and its deep commitment to customer service. The team also worked with 15 individual property owners and their mortgage lenders to successfully complete the donation of 25 feet of frontage to the city that allowed the street to be built. The members of the towers lane project team gave individual attention to each property owner throughout the design and construction of this challenging project. We applaud the towers lane project team for significantly improving the community around towers lane and helping to strengthen another San José

neighborhood. Geoffrey Cady. Administrative office, San José fire department. In his first three months with the city, Geoff Cady was assigned the responsibility of creating the fire department's first business plan and to coordinate the department's priorities, strategic objectives and performance measures with those of the entire Public Safety city service area. Geoff used his skill and ingenuity to coordinate and resolve the unique needs and perspectives of the department's bureaus and divisions. To do this, he devised an innovative method for the objective ranking of more than 160 initiatives under consideration for the plan that focused on the most important needs and priorities for the long term success of the fire department. Geoff continued his efforts to improve this method to validate statistical measures for proposed initiatives, staff consensus, and priorities, and incorporated both external and internal mandated actions. The result has been greater efficiency and effectiveness for the process and better staff agreement on goals and measures. His system has been praised as an effective tool for reaching practical consensus on difficult issues as it creates a road map for the department's success, ensuring accountability at all levels, and serving the people of San José better. Thank you, Geoff.

Cathy Morrey, recreation program specialist, employee services. Over the past 15 years, Cathy Morrey has demonstrated exemplary leadership in advancing the City's strong commitment to improve the skills and professionalism of public employees who serve the people of our community. As a Parks, Recreation, and Neighborhood Services department employee on loan to the employee services department, Cathy has created an innovative employee mentoring program that did not exist prior to this interdepartmental effort. Cathy went the extra mile to give guidance, support and encouragement to enroll six departments and 106 employees in 53 pairs to enhance staff personal and professional skills through mentorship. Based on best practices and feedback from managers, employees and training liaisons, Cathy developed a handbook, forms, and training to provide the mentorship participants with the tools necessary for success and to maximize the outcomes of mentoring relationships. Cathy sets a high standard for supporting employee development with her own exceptional communication skills, personal warmth, and enthusiasm that have helped this program take root and grow. We applaud Cathy for exemplifying the theme of the mentoring program: Make a difference, be a mentor, create your future, be a mentee.

Guadalupe river parks team. Redevelopment agency. Parks, Recreation, and Neighborhood Services. Friends of the Guadalupe. The opening of the Guadalupe river park was the culmination of over over 50 years of effort by the city and the neighbors of downtown San José. The success of the park took the focused and tireless effort of Dennis Korabiak, along with a team of city and redevelopment agency project managers including Mary Jo McCully, Peter Geraghty, and Steve Roemer, with Dennis's leadership, the master plan was completed, the park won grants for trail improvements, and other public amenities, and many agencies worked together to achieve the ultimate goal of a beautiful, functional park for everyone to enjoy. Contractors stayed on schedule, and the park opened on time to a warm reception from San José's residents and visitors. The Guadalupe river park team

supported the Guadalupe river task force and the friends of the Guadalupe river to create a high-quality project that is a lasting testament to the public's right to enjoy this urban amenity. We thank the Guadalupe river park team for their hard work in bringing the Guadalupe river park to the San José community.

[applause]

>> Good evening! My name is Ernest Guzman. I am the chair of the project advisory committee for the strong neighborhoods initiative for the City of San José. John Craig said no matter how much a man can do, no matter how engaging his personality may be, he will not advance far if he cannot work through others. Over the last five years, a quiet but fundamental change has been taking place in San José. It has not had the glamour or glitz of the opening of a new business or a new museum. And it has not had a star studded guest list to attend its opening events. But I suspect that in simple terms, it is as important and significant as anything this city has seen in its history. I am speaking of the unique ideas behind the mayor's strong neighborhoods initiative: To invest redevelopment moneys in our City's neighborhoods with the greatest need and to engage communities with traditionally little voice in the process in an active and continuing partnership with the city to make the initiative successful. To do this, the mayor had to meet head on the challenge of including all elements of our neighborhoods' rich ethnic diversity and economic backgrounds that live side by side. His leadership in making inclusion a hallmark of the initiative will remain as a model of how the city works with its citizens. Today, the strong neighborhoods initiative is composed of 19 well organized neighborhoods with a population of 230,000 San José residents. Over \$140 million has been spent or set aside by the mayor and council to meet the community identified priorities for improving these areas -- everything from neighborhood lighting, repairing streets, and planting trees to painting homes, building new parks and many, many more improvements. Finally, the fundamental change I spoke of earlier has been far more than the mortar and bricks of visible change to our city landscape. It is the continuous involvement of our neighbors in the participatory democracy our country values, yet seldom achieves perfectly. It is with profound recognition of this legacy that he leaves to our city that I am proud to present to you the mayor of San José, the honorable Ron Gonzales. [applause]

>> Mayor Gonzales: Thank you so much. Thank you. Thank you. Thank you. [applause]

>> Mayor Gonzales: Thank you very much, thank you. Thank you. Thank you very much. Thank you, Ernest, for that warm introduction. Your work with the strong neighborhoods initiative represents how we've changed the Way we do work and work with our communities in San José and our residents in San José. We work with our residents because they're in the lead on this project. How is everyone out in the tent? Everybody okay? And I'm told we have an overflow crowd from the tent and I think we have some folks over in the council chambers too. For all those in the tent and the council chambers and for all of you thank you for coming tonight. And welcome to your new City Hall! [applause]

>> Mayor Gonzales: This beautiful building has instantly become a proud San

José landmark. We've come together this evening in this extraordinary building to celebrate our city, our progress, and our future together to make San José the best place for all of us. A city we're proud to call home. A city that will compete with any in the world. The construction of this City Hall is symbolic of a remarkable period of investment. We've been building throughout the city, creating the beautiful noise of progress. As Neil Diamond sings, it's a beautiful noise, coming up from the street, got a beautiful sound, it's got a beautiful beat. [♪music♪] ♪ what a beautiful noise Comin' up from the street It's got a beautiful sound ♪ it's got a beautiful beat It's a beautiful noise Goin' on everywhere Like the clickety-clack Of a train on a track ♪ It's got rhythm to spare It's a beautiful noise And it's a sound that I love ♪ And it fits me as well As a hand in a glove ♪ Yes it does, yes it does What a beautiful noise Comin' up from the park ♪ It's the song of the kids And it plays until dark ♪ It's the song of the cars On their furious flights ♪ But there's even romance In the way that they dance To the beat of the lights ♪ it's a beautiful noise And it's a sound that I love And it makes me feel good ♪ like a hand in a glove Yes it does, Yes it does What a beautiful noise [♪music♪] ♪ it's a beautiful noise Made of joy and of strife ♪ like a symphony played By the passing parade It's the music of life ♪ It's a beautiful noise And it's a sound that I love ♪ and it makes me feel good Just like a hand in a glove ♪ yes it does, Yes it does ♪ what a beautiful noise Comin' into my room ♪ And it's beggin' for me just to give it a tune ♪ ♪ [honking] [applause]

>> Mayor Gonzales: We tried to get Neil Diamond to show up tonight, but he was here in San José a couple of months ago so it's hard to get him back. Before I start my address, I want to acknowledge the San José city councilmembers who are with me on stage. I am so proud of your commitment to the residents of our city. Linda, I'm proud that you've pushed us to be as green as we can be. Forrest -- go ahead, give her a round of applause. [applause]

>> Mayor Gonzales: Forrest, I'm proud you've Worked so hard on our extraordinary effort to plan the future of Coyote Valley. [applause]

>> Mayor Gonzales: Cindy, I'm proud of your leadership to protect our children and neighborhoods from sexual predators by strengthening our commitment to -- commitment to Megan's law. [applause]

>> Mayor Gonzales: Chuck, I'm proud that you've Helped us stay focused on sound fiscal practices. [applause]

>> Mayor Gonzales: Nora, I'm proud that you are a champion for the residents of our east side, and that you've delivered amazing results to create new homes, jobs, and opportunities. [applause]

>> Mayor Gonzales: Ken, I'm proud that you've Helped keep our efforts on track to help all children achieve. [applause]

>> Mayor Gonzales: Madison, I'm proud that you've Become a beacon of hope for Vietnamese Americans and a role model for all youth. [applause]

>> Mayor Gonzales: Dave, I'm proud that you've Taken the lead to plan for balanced growth and traffic solutions in the Evergreen neighborhood. [applause]

>> Mayor Gonzales: Judy, I'm proud you've Stepped up to lead our city through

difficult budget debates to ensure continued funding for homework centers and the children's Health initiative. [applause]

>> Mayor Gonzales: Nancy, I'm proud of your work With other cities to help to keep San José prepared for disasters. [applause]

>> Mayor Gonzales: And to each and every city employee, I'm proud of your Service to our community. [applause]

>> Mayor Gonzales: So once again, please join me in thanking the City Council, and all our dedicated employees, for their partnership and commitment to the people of San José. [applause]

>> Mayor Gonzales: Seven years ago, I stood before you and delivered my first state of the city address. I was optimistic about our future and excited about my job. Since that time this city has seen many changes and challenges, from economic recession to budget shortfalls. Since that time I've faced my own challenges. Yet tonight, as I prepare to finish my eighth year as your mayor, I'm even more optimistic about our future and more excited about my job than ever before. It's easy to sail a ship when the wind is fair and the sun is shining. The real challenge is maintaining a steady hand during the fiercest of storms, and making the right decisions to ensure that you stay on course. We've weathered many storms together. Each time we've come out, on our course, making progress towards our goals. Even though this past year was a rough one, we must learn from it. We've been most successful in San José when we've worked together to achieve the goals most important to our people by listening, sharing, and leading. I have 11 months left as your mayor, and I intend to live up to the original promise I made to the people of San José. I'll use every day to fight to improve your lives, whether it's supporting our schools, building affordable housing for working families, or strengthening our neighborhoods. My commitment to San José will not waiver, not for one second! [applause]

>> Mayor Gonzales: So let me talk about what we've done and what we still must do. When I ran for mayor in 1998, I listened to residents in our neighborhoods and made promises to the people of San José. These commitments became our to-do list. I promised the people of San José that our schools would find a strong partner in City Hall, and that's exactly what we've done. Schools are the most measured institutions we have. We need to take a moment to recognize a remarkable, and underreported, achievement: San José public schools, taken together, now have the best academic achievement results compared to any other big California city. Lest applaud their fantastic success! [applause] This has been accomplished by our teachers, students, parents and school district leaders -- along with the active support and cheer leading from City Hall. We've helped over 500 San José public school teachers buy their first homes in our community. We've created 3600 preschool spaces to ensure our youngest children enter school ready to learn. We've made homework centers and after school programs available for every public school in our city, serving 20,000 students every day in safe places to learn. We've created a national model on how to keep our schools safe through the safe school campus initiative. We ignored the small minded critics when they said city government couldn't or

shouldn't help our schools. We've proved them wrong. But our work here is not done. Our commitment to our students' success and our city's future generation cannot end here. High school dropout rates are still too high. We need to cut that in half over the next five years and put our community's resources there to Best help that issue. Too many parents are struggling to find preschools that prepare their kids to succeed in the classroom. I'll put forward a plan to put us on track to provide another 4,000 San José children with quality preschool to meet the need over the next five years. [applause]

>> Mayor Gonzales: And I enthusiastically support the preschool for all initiative on the June state ballot. Vote yes, so we can have the resources to reach our child care goals. It's good to be the best among big cities. But we can do better. Our students should achieve at the highest levels of any community, in every school, in every school district. No matter where you live, or where you come from, we have high expectations for you. -- of you. Stoving we've made building strong neighborhoods an absolute priority, and we've delivered on that promise. Graffiti was rampant in our neighborhoods. Today it's practically nonexistent. And graffiti criminals now understand the price of their crime. Over the last six years our antigraffiti task force has arrested nearly 1,000 graffiti criminals. [applause]

>> Mayor Gonzales: Another example, this past Sunday my wife Guisselle and I spotted aa volunteer painting out graffiti on a traffic signal pole. We pulled over and met Ralph Van Heerden, one of thousands of San José volunteers who be remove graffiti and litter from our neighborhoods. Even on weekend. Ralph, as a representative of these dedicated people who help keep San José the cleanest big city in America, please stand and be recognized. There's Ralph right there.

>> Mayor Gonzales: I have to tell you I overheard my staff person who contacted Ralph and I think when Ralph heard someone from the mayor's office was calling, he thought he was in trouble. The staff person said no, we just want to invite you to the state of the city. Thanks for attending Ralph. We are investing an unprecedented \$600 million to deliver long overdue neighborhood improvements that voters told us they wanted. Four new neighborhood libraries had already been built, and the rosegarden branch opposite this weekend, and another four will be completed later this year. 11 more are in the pipeline. We've renovated 90 neighborhood playgrounds, built nine community centers, expanded five regional trails, completed dozens more projects and more are on the way. We've created a national model for neighborhood revitalization in the strong neighborhoods initiative that puts residents in the driver's seat. [applause]

>> Mayor Gonzales: Together, we've completed over 120 SNI improvement projects that residents told us were the most important to them. Homework centers, community gardens, street repairs, street lights, and street trees, just to name a few. Tonight, I propose that we renew our commitment to the SNI neighborhoods. We've invested over \$100 million. We ought to match that with another \$100 million in the coming years. [applause]

>> Mayor Gonzales: But the most important legacy of the SNI is not the projects. It's the leadership of our neighborhoods and their partnership with City

Hall. It's the pride our residents feel about their home. You can see it on the screen, some of what they said about their neighborhoods and our city. Together, we've transformed the way we do business in San José. For the past seven years, we've been making up for decades of lost time in our neighborhoods. Our City's growth had outpaced our city's investment in neighborhoods. We cannot afford to allow that kind of neglect to happen again. We must make a commitment today to protect our neighborhoods tomorrow. [applause]

>> Mayor Gonzales: This year I'm recommending to the City Council that we extend the SNI model citywide, to include all neighborhoods, with residents driving the planning for their priorities. [applause]

>> Mayor Gonzales: We'll use the SNI example of collaborative planning with residents to guide other city investments in neighborhoods. We'll link citywide plans for parks, libraries and streets with neighborhood priorities, and create a comprehensive plan that cuts across the bureaucratic boundaries of our city. And we'll start now to identify the funds we need to deliver future results. This year, I'll propose taking our first step by setting aside \$5 million to spend on our neighborhoods citywide. [applause]

>> Mayor Gonzales: Strong neighborhoods are the foundation for a safe city. I will never get tired of saying this: For the fifth year in a row, San José is the safest big city in America! [applause] However, we can never get complacent about safety. It takes continuing commitment from all of our partners and long term investment. And we need to do more. For example, domestic violence can be deadly and it's one of the toughest crimes to fight. We've done a lot to help but we must do more. Women and families must know who they can call, where they can get help, and how they can get out of danger. Because even one death is too many. This year, I'll propose we increase our spending to reduce domestic violence in San José. [applause]

>> Mayor Gonzales: As we saw with Hurricane Katrina, neighborhoods and families will have to be on their own immediately following a disaster. That's why we must take aggressive steps to ensure that San José and our residents and our neighborhoods are ready for any disaster, whether earthquakes or terrorism. Every neighborhood should be ready with practice plans, trained leaders, communication systems, and emergency supplies. One of the largest challenges our region has faced over the last five years is living through the worst recession since the grade depression. The recession caused real pain for families struggling to make ends meet. Despite this big challenge, San José stepped forward with solutions. Critical to our long term economy is our airport. Airport improvement and expansion is underway, thanks to the support of our community, creativity of our staff, and collaboration from our airlines. Together we've cut project costs by two-thirds and cut our time line in half. We've already started work on the first phase. Design and construction for the rest of our new modern terminal will start later this year. And in five years we'll be able to cut the ribbon for a new competitive, convenient, and comfortable airport. This means that San José and Silicon Valley will finally have a 58th way to the world that truly represents the pride and vision of our community. It will be an asset to our

economy, good for travelers, and a good neighbor. We started our biotechnology incubator, the San José biocenter to help locate startup companies developing cutting edge technologies that will lead to new jobs, and more important, new cures, new treatments, and new hope for people. We have worked with companies like eBay, BEA systems, Hitachi and adobe to keep them happy to stay and expand in San José. We've listened to family businesses and industry leaders and we've responded by cutting red tape and improving customer service making it easier to do business in San José. But we're also planning for the future. Our economic strategy, our first in San José, is a clear blueprint for success. Our long term planning for north San José, Coyote Valley and downtown is laying the groundwork for model neighborhoods that will attract new companies, provide thousands of new homes and jobs and ensure San José stays competitive and grows in a smart, balanced way. As recently said at our getting families back to work sessions, it's now time to bring these plans together. It's time to start the hard work of overhauling our general plan. It's been nearly two decades since the last time we did this. We must continue our strong commitment to smart planning, smart growth, and smart living. [applause]

>> Mayor Gonzales: The lack of affordable housing is a serious obstacle for our employers and a major challenge for many San José families. I've made affordable housing one of the center pieces of my tenure as mayor. By the end of this year we will have built more affordable homes than any other city in California. That's over 11,000 affordable homes! [applause]

>> Mayor Gonzales: I'm proud of what we've accomplished together to fulfill this promise. But our work here is not done. This year I'll recommend to the City Council another five-year plan that will create another 1200 affordable homes per year. It's an aggressive goal, and it will be tough work. But it's necessary for our families, our children, and our economy. [applause]

>> Mayor Gonzales: To serve the economy and residents of the future, San José and Silicon Valley need BART. I've worked on this effort for 17 years. For the past six years, bringing BART to the south bay has been the top regional priority, both for the voters and for me. Right now, the Silicon Valley leadership group and leaders from the county, neighboring cities, regional transit, labor, and chambers of commerce are collaborating on ways to address some of the community's needs for health, social services, roads and transit. This could lead to a cooperative ballot measure that will ask voters to continue their leadership for investing in the future. I pledge my support for this effort. [applause]

>> Mayor Gonzales: We work best when we work together to find solutions to our regional challenges. When we're successful, you'll see new communities, with new jobs and new homes, taking shape around Silicon Valley BART stations and downtown. And people will be lining up to take BART to downtown San José to go to the arena, enjoy our night life, commute to work, home, and school. Our downtown was once a desolate place. Over the past five years, it's really come alive. People who have been away from downtown for a while are amazed and impressed. Our skyline has changed with six new high rise office towers and hotels. We built the Dr. Martin Luther King, Jr. library in partnership with San Jose

State university, winning national recognition. We've saved an renovated the historic hotel Montgomery and the California and José theaters transforming them into vibrant new places. We have new downtown hotels and restaurants, we creatively expanded the convention center and City Hall is back downtown where it belongs. [applause]

>> Mayor Gonzales: Great new downtown events including the San José grand prix, tower of California bicycle race, zeroone art and technology festival and the rock N roll marathon, have joined our wonderful traditions like the San José jazz festival, Christmas in the park and Cinequest. But the biggest transformation of downtown is just now becoming visible. Our skyline will dramatically changed with nearly a dozen new high rise residential towers that will add more than 2300 new homes to the more than 3,000 already built over the past seven years. [applause]

>> Mayor Gonzales: And we're making historic progress on a proposal for a downtown ballpark. [applause]

>> Mayor Gonzales: We're securing property, preparing preliminary plans and developing the environmental impact reports needed for a ballot measure. I can't quite yet smell the hot dogs and the fresh-cut grass, but sometime soon the people of San José will get to decide to bring major league baseball to our city. [applause]

>> Mayor Gonzales: In preparing for my final state of the city address to you, I've looked back at the promises we've made in previous years. I was glad to see that we've been consistent with our themes: Neighborhoods, economy, generation, public safety, transportation, housing, and downtown. Here is what I mean. [video] we've made San José a full partner to help all children achieve success. Generating our children. All children have the opportunity to achieve. A smart start to their education. I hope that some day every child in San José has a great start, a smart start, and San José is the safest big city in America. The safest in America. Safest big city in America. The safest big city in America. To be the safest large city in America. I love that title, and we're not going to give it up. When we talk about building strong neighborhoods we must talk about affordable housing. Our San José teacher housing program which will help San José public school teachers buy homes right here in San José. And more affordable housing. Building stronger neighborhoods. And residents are in the driver's seat. It's my vision to make our at a neighborhoods places where people are proud of. I'll keep working for strong neighborhoods. It's our duty to make San José a greater place to live. We made BART the number one transportation priority in the entire Bay Area. It's about time! Make no mistake, we will bring BART to San José. Before I leave office, San José will be connected to BART. Let me make it clear. BART will come to San José. A strong economy means jobs for residents, and opportunities for our children. We need to do all we can to show the business world that San José is the best city in America to do business. Join me as we, bold and creative, make this city the best for all of us. San José, a city you're proud to call home. Thank you very much. Do you notice how many times I've changed glasses? Those old round ones, boy, those,

I don't know, sure glad I got rid of those. Although I can be accused of repeating myself these are the big issues for every mayor, in every city, every year. We can't let ourselves be distracted. We must stay focused on the key issues that produce the solutions for issues that people want us to work on. In the next 11 months, I'll keep pushing hard to complete the good work we've started together. This will be a critical time for the voters to decide who will lead this city in the future. It's safe too assume that everybody is in favor of more transparent government. Everyone wants good ethics laws and over the past several years we've agreed on a remarkable set of ethics reforms in San José. But the question that every San José resident should ask our future leaders is, then what? What will you do to make -- to lead this city from its strong foundation to a brighter future? What will you do to bring BART to San José? What will you do to ensure that every child in San José can succeed? What will you do to ensure that we remain the safest big city in America? What is your plan to ensure that our families have the opportunity -- can afford to live in San José? What is your plan to build strong neighborhoods, create jobs, and make our downtown more vibrant? The people of San José need a dialogue that goes beyond the politics of blame. Criticism alone is not leadership. [applause]

>> Mayor Gonzales: We've been a city of solutions. We must remain one. The people of San José deserve to hear about the solutions that will keep this a great city for all of us. I know what I'm doing for the next 11 months. I'll still be pushing to help make our dreams come true. These are important dreams. If we have effective, visionary leadership, dedicated to continuing our progress, we'll have an even better San José ten years from now. In 2016, this is what I dream we'll see in San José. The mayor of San José will throw out the first pitch at the first all star game held at our new downtown ballpark. [applause]

>> Mayor Gonzales: Construction on BART will be nearly completed and we'll be planning the ribbon cutting celebration. [applause]

>> Mayor Gonzales: We'll be able to fly direct from Mineta San José airport to London, Beijing, and Rio. [applause]

>> Mayor Gonzales: Were you clapping for Rio at the end there? I thought so, yes, okay. San José schools will be tops in California. [applause]

>> Mayor Gonzales: We'll still be the safest big city in America, year after year, for another decade. [applause]

>> Mayor Gonzales: Tens of thousands of new homes will have been built near transit lines and jobs and more of us will be able to commute to work without a car. [applause]

>> Mayor Gonzales: Every San José neighborhood will be organized with leadership to guide our continuing investment in the quality of life. [applause]

>> Mayor Gonzales: And I'll be able to buy a shirt and get a midnight snack downtown. [applause]

>> Mayor Gonzales: It's been said that leadership is about your ability to lead despite what is happening around you. I'm proud that we've been able to lead and make San José better, despite a prolonged recession. I'm proud that we've been able to lead for long term, big-city results, despite chronic complaints from

short-term, small-town thinkers. I'm proud that we've been able to lead to accomplish what our residents really want, despite the distractions of a thousand whims that mask what's truly important to our community. It is true -- it is true. Leadership is about your ability to lead despite what is happening around you. That's just what we have done. I am proud that we've achieved so much. That's why I can say that the state of our city is strong, creative, collaborative, optimistic, dynamic, and proud. [applause]

>> Mayor Gonzales: So many things to so many people. Yet there is still so much more to do. We're in an enviable position as an innovative city of solutions. But our competitors are chasing us. We are a city of great opportunity, but we must keep working to ensure that all our residents have the opportunity to participate in our unique potential. As I said in my first state of the city speech in 1999, if we're successful, people of all ages in all neighborhoods will say, I'm proud to live in San José. Tonight, in my final state of the city speech, here's what I ask the people of San José and our leaders who will follow me: Please keep working to achieve our shared vision. Please keep making San José a city that every one of us can take pride in. We're a big city. The nation's tenth largest, yet we have many wonderful and diverse neighborhoods. We embrace our small-town warmth but we can't let ourselves think small. Let us choose action over inaction. Let us choose bold ideas though they are daring over static ideas though they are safe. I've had the immense honor -- [applause]

>> Mayor Gonzales: I've had the immense honor to serve as your mayor of this great city. I thank everyone who has helped me so much and ensured that we could accomplish so much together. Thank you very much. [applause]

>> President Kassing: Thank you, Mayor Gonzales. And thank all of you again for your interest in our community and for joining us here tonight for the San José 2006 state of the city address. We would especially like to thank our generous in-kind sponsors who have -- donated their time and resources year after year to help make the state of the city address a success, city year, personal telephone answering service, San José conservation corporation, yellow checker cab and downtown arts and dining businesses and organizations. Please join us outside on the plaza for a reception, and good night. [applause] [¶music¶]