



STATE OF THE CITY

Mayor Judy Ritter

January 27, 2020

Morris B. Vance Community Room

WELCOME

It is my honor, as your Mayor, to welcome you to the Chamber's State of the Community address. It is truly a pleasure to be able to share our City's undertakings and achievements. This year marks my tenth State of the City address and it still is a privilege to serve as your mayor. It is also very humbling to look back on our City's state of affairs in 2010.

STRONG FOUNDATION

A decade ago, our budget was the key focus in our City's planning. At that time, we were climbing out of the recession and trying to provide essential services with very limited resources. Flash forward to now and let me begin with saying the Vista you see today is more refined! The City is leaner; it is stronger; and it is more strategically prepared to meet the challenges of the times ahead.

We have grown from past experiences and we have been thinking smarter, more proactively, and strategically planning for our new economic reality. As I reported in the year 2010 on the City's challenges, I vowed we were up to the job of making a better Vista. Well, here we are a decade later, and I am proud of what we have accomplished along the way! As we plan for the present and set our eyes on the years to come; we are steadfast in our commitment to keeping our city safe, our roads maintained, and providing opportunities for residents to lead more active, healthy lifestyles. Let me focus on what we've achieved in 2019, and where the City is headed as we move into this new era.

STRONG FISCAL SUSTAINABILITY

First, let's take a look at our economy. Similar to the previous year, 2019 was a good time for the nation and for our local economy. Even though there is a bit of slower growth on the horizon, 2020 should be a solid, good year, as well.

We are beginning the new year with a healthy 31% percent emergency reserve. That's a substantial increase over the less than ten percent we reported a decade ago. In the next few years, our reserve is expected to reach a strong and sustainable 35%. This is significant, because these emergency funds will tide us over during a typical downturn, and will make it possible to continue providing vital residential services. Vista will be better prepared from the decade before to confront the financial challenges that may arise when the next downturn arrives. This is thanks to the direction of our City Council and the diligent planning of our City Manager Patrick Johnson and his team.

At the present, the City continues to benefit from both the State and national economic climate. Our unemployment rate is still very low and the assessed valuation of Vista's properties continues to climb by a healthy eight percent, our sixth year in a row with an increase. Vista's home prices are strong, yet they are still some of the most affordable in the inland coastal area.

With the strong economy, the City continued to invest in vital infrastructure improvements, additional park upgrades, and fire protection and law enforcement services – all of which are fundamental to Vista's quality of life.

ECONOMIC DEVELOPMENT | PLANNING

Economic Development is a top priority in Vista. With more than 48,000 jobs across our city's diverse economic base, including 24,000 in the Business Park, Vista is a major player in the economic landscape of North County. With the Chamber's assistance, we recently surveyed the downtown businesses and companies in the Vista Business Park. About 85% surveyed anticipate stability or growth in the next three years. What a positive indicator of our city and region's economic stability!

Guess what? Ten years ago, Vista welcomed the city's new BMW dealership to town, and a week before my first State of the City address, we celebrated the opening of our first upscale hotel with the Hyatt Place on South Melrose. Last year, we added to both of those inventories. In July, the Norm Reeves Honda dealership opened and soon the new Ayres Hotel on Palomar Airport Road will open its doors. To our residents and visitors, this means more amenities and choices; for our City, it means additional tax revenues to help support more services for our residents. It's definitely a win-win for everyone!

On the horizon are the addition of two more hotels, the Hilton Garden Inn and Courtyard by Marriott. Both are in the planning phases. For those who shop online, you may be interested to hear that Amazon has selected the Vista Business Park to serve as the location for its North County distribution fulfillment center. The new warehouse is expected to employ between four and five hundred people from the surrounding region.

And as you can see as you drive about town, there are also a mix of market rate and affordable housing projects in different stages of construction throughout the community.

- On Civic Center Drive, the senior affordable housing project, The Grove, is under construction. When it opens this fall, 81 units will be available for qualified seniors.
- The Monarch Apartments on the former Sycamore Creek Mobile Home site should also be completed in the fall. The project includes 179 market rate rental units and the developer will also complete the public trail from Wildwood Park to Brengle Terrace Park. This will create a nice amenity for the community and local trail users.
- The first phase of the Enclave's 124 townhome project at Delpy's Corner on E. Vista Way are finished and are for sale. More homes will be added to the mix as the remaining phases are completed.
- Laurel Creek, DR Horton's detached homes under construction east of Grapevine Road, will add 68 new homes for sale to the market.
- And the Vista Palomar project, called The Verano, is adjacent to the Ayres Hotel on San Marcos Boulevard, and will offer 191 units for sale, once completed.

- Along the Paseo Santa Fe corridor, the 42 unit apartment project, Terrace Loft, and the 68 unit and mixed-retail Paseo Artist Village project have been approved by the Planning Commission. Both are currently in the construction planning phases.
- And the first-of-its-kind coworking space specifically geared toward the film and TV industry opened in our film-friendly city. The Hub is expected to be a boon for the local film and TV industry and also for the community and surrounding downtown businesses.
- Opening later this year is the “special event” rental venue and brewery renovation from Booze Brothers in the former Joe’s Paint & Glass building on South Santa Fe Avenue. We anticipate this new setting will create a unique and resourceful spot for many types of downtown event opportunities. The public will be able to order food from restaurants, which will create an added benefit to the downtown eateries.

And of course, the biggest development underway is on the corner of Main Street and South Santa Fe Avenue. The 100 Main Street Project, which is officially called “The Rylan,” is really taking shape. I toured the building in November and was pleased by the quality of workmanship and design features. It is scheduled for completion in July and we anticipate the development will create a hub of activity and increase the foot traffic to our downtown.

The views from the upper-level upscale apartments are fantastic. The management is working to attract one or more restaurants and a few other businesses to the first floor commercial space. The building’s two levels of parking are underground. One level is for the residents and the other is for the commercial area and for public use. The upper four floors will house the 126 apartments. The third floor open area in the center includes a swimming pool, barbecues, picnic tables, and gathering spaces for the residents. Residents will be able to walk to shop for groceries, see a movie, and visit a restaurant, all in the downtown area – all without getting in their cars.

On the housing front, California faces significant affordability and supply challenges. Over the past decade, on average, less than half the number of houses needed have been constructed annually. We are preparing for the next Housing Element Update in the spring and it must be completed by April of 2021. This is the Regional Housing Needs Allocation or “RHNA,” which is mandated by the State. The Housing Element must include a “sites inventory” that identifies where 2,561 housing units can be accommodated in Vista. SANDAG stipulates that Vista is responsible for accommodating 2,561 residential units in next planning period which is from 2021 to 2029. Our current RHNA is 1374.

The State of California requires the City to accommodate these units at various income levels through its zoning and development standards. It does not require production at this time. As a City, we are aware of this and have been able to establish our own local guidelines and zoning limits to plan responsibly for new growth. In an effort to address some the housing shortages, state lawmakers approved several housing-related bills in 2019, which were signed by the Governor and became law on January 1st. Several were aimed at increasing density by limiting local authority. We are disappointed that the new density laws take control away from local government. For example:

- The City cannot regulate a minimum lot size of Accessory Dwelling Units or ADU’s and they are now permitted in multi-family and mixed use zones. Put the ADU acronym in your memory bank, because we’ll be hearing about it again.
- The City must allow one ADU and one junior ADU on any single-family lot; the junior ADU is a converted garage or addition to a home; and

We cannot require parking for an ADU within a half mile of the Transit Center and any bus stop in Vista. This is disappointing because we believe cities should plan their own community and not the state Capitol. However, we will update our ADU program to make it compliant with state law, while doing our best to protect existing neighborhoods.

On a more positive note, several establishments have or will soon open for our residents to shop, dine, and enjoy. This includes:

- The opening of the new Sprouts Grocery store on East Vista Way; and the new restaurant, Culichi Town, in Vista Village.
- In addition, a new Dunkin will open soon on East Vista Way; and
- Several new breweries have opened. We've got more microbreweries per capita than any other city in the U.S. and this continues to position the city competitively in attracting regional visitors to our city.
- Currently there are 22 breweries, one meadery, two wineries, one hard kombucha taproom, and three distilleries in Vista. Plus there are several more breweries and distilleries in the works.
- With the passage of Measure Z allowing for 11 medical cannabis dispensaries in Vista, we currently have 4 businesses open and the remaining are still working through the state and local permitting process.
- In December, the City approved allowing for testing laboratories, two distributors, and two manufacturers and cannabis delivery originating from outside Vista. The existing prohibitions on other cannabis uses in Vista, including adult use retail and commercial cultivation, still remain in effect.

Another important element in continuing the vibrancy and attracting new visitors into the downtown is to add a different entertainment venue. This would increase the foot traffic downtown and benefit the local retailers and restaurants who need to stay profitable.

Over the last several years, a few folks have been interested in the AVO Playhouse and have approached the City with ideas of converting it into a different type of venue. Ultimately, all have declined to move forward for a variety of reasons. Now, JCG Development's Jay Wentz, who is also a partner in The Rylan project, has expressed interest in reinvigorating the AVO as a music and live entertainment venue. The City Council and I recently approved an Exclusive Negotiation Agreement with JCG to evaluate if this is a viable option. The consultant has up to 18 months.

INVESTING IN TRAFFIC & STREET IMPROVEMENTS

Meanwhile, the City is investing in its infrastructure to strengthen our commercial growth and residential neighborhoods. We have targeted \$3.5 million dollars for local street improvements to prolong the surface life of our roads. This is resulting in safe, smooth roads and less expensive maintenance throughout the year. The construction schedule is on the City's website at CityofVista.com.

Residents have been commenting on the fact that our main roads have been repaved and are in good driving condition. I know this is very important to all of us, and by leveraging our resources and manpower Vista's roads will remain well-maintained for years to come.

Traffic continues to be a huge concern and we are striving for improvement and innovative ways to manage it. We are making progress on relieving traffic congestion around town. For instance, the traffic signal interconnect project has been completed on the south side of Vista, including on Sycamore Avenue and South Melrose. These traffic signals are now connected and synchronized back to a traffic management center at the Civic Center. What this means to motorists, is that the commute times will be shorter during peak travel hours and the synchronized intersections will be safer. A similar project on the north side is in the design phase and will include North Santa Fe Avenue and East Vista Way.

The East Vista Way Median Project was completed last year. The new landscaped medians not only provide a safety barrier for motorists, but also beautifies that stretch of East Vista Way. I am proud of the new appearance as residents and visitors travel the corridor.

Let's rewind back ten years again. We had a great plan to enhance South Santa Fe Avenue and to remove the blight. We even had a community supported name for this new and improved envisioned corridor: Paseo Santa Fe. However, the only tangible ingredients we had to initiate this goal, was a conceptual design and the vision to move forward; however we did not have funding. It is a different story today. Phase I has been completed. Phase II, which includes the second round-about at Guajome, will be finished in the spring and Phase III, which continues to Civic Center Drive and includes the third round-about at Pala Vista and an arch, will be completed by the end of this year.

Our 20-year plus vision, supported by city councils and mayors, which struggled to get off the ground with no funding ten years ago, will now come to fruition at the end of this year. Now, that's an accomplishment worth celebrating! We can all be proud of the new corridor which changes the face of that entire area.

PUBLIC SAFETY

The quality of life for our residents also depends on the safety of our neighborhoods; how we respond to public safety emergencies; and how well we prepare for disasters. On that front, there is good news to share with you. The Crime Rate is again down in Vista. Ten years ago the FBI Crime Rate was 25.8 and it is now 16.6. Our Sheriff's Captain, Greg Rylaarsdam and his law enforcement team continue to work on decreasing this rate and providing excellent service to Vista.

The goal was to continue that downward trend and that is why the City Council and I approved an additional Sheriff's deputy in 2019 for the Community Oriented Policing team. The new deputy is helping patrol the city and our community parks.

One of the most complex challenges we are facing today is the visible effects of addiction, mental illness, and homelessness on our streets. We are not unique. Communities large and small across the country are facing these same challenges. We are working with our law enforcement, our non-profit organizations, businesses, and community members on bringing innovative, common sense, collaborative solutions to our community. Last year, the City began working on a Strategic Plan to Address Homelessness. The draft plan will be presented to the City Council tomorrow evening, during the Council meeting. We will finalize the plan and will not let it sit on the shelf. This will become a guideline for us to set City goals, create additional policy, if needed, and to address this emerging crisis.

And, for the safety of our residents, our businesses, and to those who pass through our city, we say thank you to our Captain and the Vista deputies for their daily support watching over Vista.

Last year, we welcomed Ned Vander Pol as our new Fire Chief, after Chief Hahn retired. Since then, our new Chief has provided outstanding leadership and supervision for the department. In 2019, the department responded to over 14,000 calls for service.

In addition, Chief Vander Pol was instrumental in bringing the Parkland Florida First-Responder team, responsible for handling the 2018 high school shooting incident, to Vista. The City hosted a regional Active Shooting Training with 200 participants. With the training, annual exercises, and ongoing regional communication, both of our Public Safety services are more informed and better prepared and equipped to address any type of emergency incidents.

Public Safety is the most fundamental service a City provides, and we are grateful that our residents clearly see the work ethic, dedication, and talent that come from our Vista Fire Department and our San Diego County Sheriff's Department. Thank you to both Chief Vander Pol and Captain Rylaarsdam and their teams for protecting and serving our community.

PARKS & RECREATION

Other valuable amenities are our parks, recreational areas, open spaces and activities that provide healthier and active lifestyle options for our community. We have made strides over the years in providing additional classes, programs, and events to our youth, adult, and senior residents. We have also made great strides in investing in park upgrades, new playground equipment, and updated restrooms.

To the joy of many pickleball enthusiasts, our City's first pickleball courts were added at Brengle Terrace Park and at Thibodo Park. And I understand they are using the courts very enthusiastically. And the design work is complete on the Bub Williamson Park improvements and construction should begin this spring. Design plans for our new Park at the City's gateway entrance on Civic Center Drive at Pala Vista are soon to become a reality.

Our Moonlight Amphitheatre hosted another outstanding Summer Season in 2019. To enhance the experience for the Moonlight's 40th anniversary season, a fifth production has been added to the 2020 schedule. While I am enjoying the beginning of the New Year, I cannot wait for Moonlight's summer season to begin!

COMMUNITY ENGAGEMENT

In my conversations with community members over the past year, I have been inspired by how much our residents care about our city and how much they want to be a part of Vista's success. Many approve of the City's direction and are taking part in our Vista Leadership Academy, volunteering on our commissions and boards, and helping at our recreation events and in some of our departments. I am grateful for the contributions of all our volunteers. Everyone's willingness to invest in Vista makes our community stronger.

I remain steadfast in staying engaged with our residents and businesses. Call, write, or e-mail us. Subscribe on the City's website for our weekly news updates. For those savvy social users, follow the City on social media or use our Access Vista app. Attend or live stream our City Council meetings. Please continue to stay involved and informed.

CLOSING

In closing, I want you to know that I am grateful to have the privilege to lead our City from the previous decade into this new one. Looking ahead, we have incredible projects and opportunities before us, and I am confident the results of our previous work will continue to serve as a steady and lasting foundation for building a stronger and more prosperous city.

At the dawn of this new decade, let us embrace our vibrant community; our thriving economy and energized downtown, our amazing businesses; our healthy environment; and pledge to continue providing a responsible government ready to build a stronger and more prosperous city for our residents.

We have accomplished a lot of big things in the last ten years and there are even bigger plans for the future. I believe strongly that Vista is a rising force in our region, and if we continue bringing together the right people in the right place, at the right time, together, we will continue to make a great future for our city.

Thank you!

