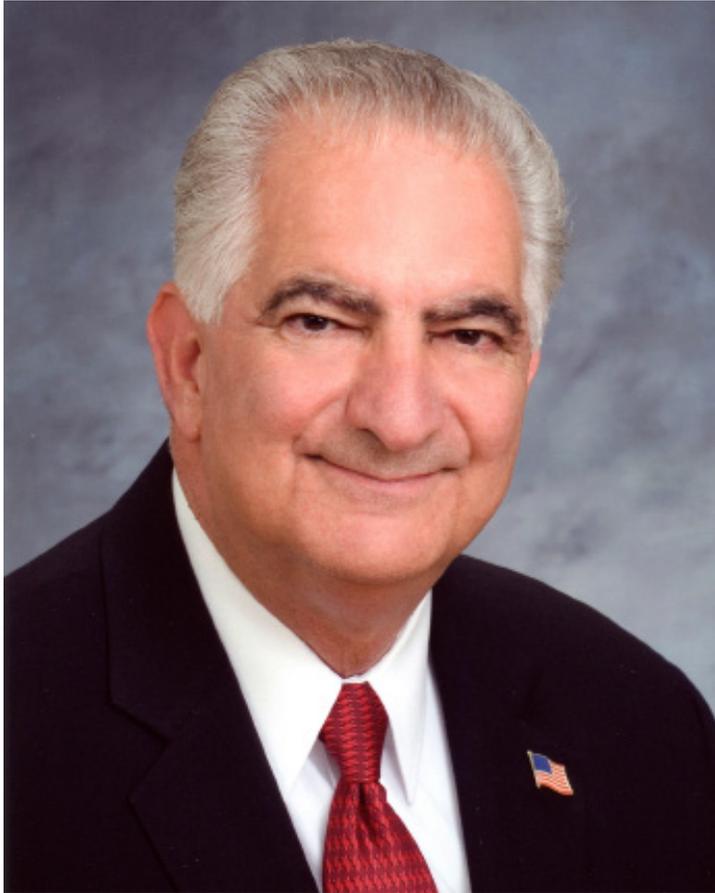




# 2011

## CITY OF TORRANCE STATE OF THE CITY



### Mayor Frank Scotto

Frank Scotto was elected to his first term on the Torrance City Council in 2000 and garnered the mayoral seat in 2006. He is serving his second term as mayor wherein he also serves as the voting delegate to the Southern California Association of Governments (SCAG) and the Los Angeles County Sanitation District, and as the Chair of both the State and the Federal 2010 Ad Hoc Legislative Advocacy Committees. Prior to being Mayor, he served as a council member, and a commissioner. Mayor Scotto is a military veteran, a local business owner, and an active member in Lomita-Torrance Airport Rotary Club.

A native Californian, born in Riverside in 1948, Frank Scotto has lived in Torrance for 50 years.

Hello! I'm Mayor Frank Scotto. Please allow me to thank my colleagues on the City Council, City Manager LeRoy Jackson, Assist City Manager Mary Giordano, our executive staff, City staff for their fine work this year, in particular, Torrance CitiCABLE for that great video. I also want to thank my wife Cindy. I am happy to be here with you once again. And I want to thank our Torrance Area Chamber of Commerce, especially the Doubletree Hotel, for hosting this event. I also want to thank all the groups that have attended. Torrance Area Chamber members, all HOA members and Lomita Torrance airport Rotary members. We also have a person who has travel from K.C. Missouri this morning to hear this speech Norma Bowman. Lastly want thank Gesuina Paras for her help with the State of the City.

Preparing for the State of the City Address is a time of reflection for me. I ask the questions – As a community, where are we today? Who are we? Where do we want to go, and how do we get there? It is an honor to be Mayor of this wonderful City we call Torrance, and a privilege to share with you now my thoughts.

On the National level, we are being told that the recession is technically over. On the State level, we are being told of tough choices to fix our State economy. On the County level, we are being told of cautious optimism for an economic uptick. Now, I am certain everyone's confused when we hear these statements. That's understandable because it is locally, here, in a dynamic, vibrant, and business-friendly city such as Torrance, that we see and feel these different realities.

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A city is the first to feel the effects of economic activities, which drives its ability to gather resources to address the needs of its community. So in a city such as Torrance – a diverse one, a center for business, known for quality education and rich quality of life – where an individual, a family, and a business thrives, we feel it first. In the same token, when anyone struggles, we also feel it first.

The past few years have given us something we haven't experienced in recent history. To me it feels like we've been sailing smoothly at the top a placid lake, enjoying the big picture. And suddenly, we reach white water rapids. We're paddling strong, but we still don't know what the next few feet are going to bring us. We begin to think: Is there a waterfall ahead? How steep is it? But more importantly, how do we navigate it? In 2010, the tides of a downturned economy made its impacts felt by Torrance and other cities. We are not unique in experiencing this, but we do offer a unique perspective. Sure, we can easily say, it's a very tough year. But today, I present to you, this new way of looking at last year, this year, and the coming years.

Call it white water rapids, or waterfalls, at the core, these challenges bring us an opportunity to grow. Though we can define "growth" in many ways, all variations share a common element – change.

What we don't see beyond the empty storefronts along Hawthorne Boulevard is the progress of our active economic development program. The "Space Available" signs do not necessarily mean blight. It means change. It means some businesses have struggled, some have left, but it also means new businesses are continuing to choose Torrance as home.

Businesses with strong customer base, with a variety of offerings are knocking on our doors. And so we welcome companies such as In 'n Out Burgers, Fresh and Easy, MacMall, and Lotus Pet Foods, among others. Partner Engineering is going into the edge of Downtown Torrance on Torrance Boulevard and

Western, Psychological Services, which produces assessment tools, is renovating a building at Alaska and Maricopa. Combined, these two companies alone bring over 120 highly-skilled jobs to our city.

Auto dealerships continue to play an integral role in our economy. Some are new arrivals such as Hyundai, and some are adding new facilities such as DCH Toyota Dealer. With Monday's groundbreaking, it began construction on what will be a sustainable building. Upon completion, it will be the only car dealership in the nation with Gold LEED (Leadership in Energy and Environmental Design) certification from the U.S. Green Building Council. And that's just the first phase of its expansion plans. Since other dealers are still in negotiations, I cannot provide details yet but I'm confident you will notice their arrival in the near future.

Empty spaces also mean long-term investors in our community can continue to invest in the community's health, prosperity and quality of life. Companies such as Robinson Helicopter, Torrance Memorial Medical Center and Providence Little Company of Mary Hospital, are expanding. And with great excitement, last week, the City opened its new Permit Center where any permitting needs for such work can be served. Also today's exciting news is the announcement by Simon Property Group, owners of Del Amo Fashion Center, that it has chosen architecture firm Altoon and Porter to work on Del Amo's transformation. This will start the process of rebuilding our Mall. We hope construction will start by 2013. For a city, unfortunately, the excitement of new or expanding businesses comes with the sadness of seeing some businesses struggle or leave. But this is part of the experience of a community that's growing into a city that stays relevant to a constantly evolving global community. Though they aren't easy, we accept the changes.

Author Arnold Bennett once said, "Any change, even for the better, is always accompanied by drawbacks

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and discomforts.” Because of the economy, many of us have led uncomfortable lives as we deal with job losses, tough business climates, and limited resources. The City of Torrance wasn’t spared. In 2010, the City tightened its belt to close with a balanced budget. It meant two rounds of cuts; in the spring, we cut \$8.9 million, then in September, as revenues received fell short of projections, we cut another \$5.5 million. To achieve this, we deleted budgeted positions and civilianized some in our police department; we eliminated potential wage and materials increases, and scrutinized our operations for more efficiency. We asked employees to do more with less, and I thank each one of them for doing so. Due to this tough fiscal reality, future employees will have to pay their share of retirement payments. To say it’s been hard would be an understatement. Presently, we are preparing for budget discussions. The impact of the State’s budget on our resources remain unknown, and we are facing a projected revenue shortfall of \$2.5 to \$3.5 million due to lower utility users’ tax revenues, and lower investment earnings caused by historic low interest rates. This carries over in our 2011 to 2013 operating budget. To balance the budget while mitigating negative impacts to residents and holding to City Council’s policy of no layoffs and no furloughs, entails difficult decisions and adjustments. Given previous budget cuts, more than ever, rebalancing this budget calls for a change in the way we do business.

An old saying goes, “change is inevitable; growth is optional.” We realized that if we choose wisely, these difficult changes can serve us well. They bring us in front of the mirror, and challenge ourselves and the way we do things. They help us recognize and embrace the changing world in which the City operates and we all live. They show us limitations, but help us discover limitless possibilities for exercising creativity and learning new ways to meet the community’s fast-changing needs.

The 2010 Census shows us that we gained 2400 housing units and over 7000 residents from 2000 to 2010 with a population of over 145,000 people. With this very modest growth, we dropped from

being the 4th largest City in L.A. County to the 9th. This is where we are; however, the numbers, or empty storefronts, do not tell the whole story of our community. They tell us, Torrance is changing. Torrance is growing in new ways. And all of us have to be prepared to face these challenges.

To change is a difficult process but yet, often the necessary step for growth. Most are afraid of change because it pushes us into the unknown, or the uncertain. To ease the fear, we find an anchor from the safe and secure place of knowing who we are and where we want to go. This is true for any individual. It’s true for any city.

To anchor ourselves amidst the tides of change, we seek answers to the question “who are we?” With this question in mind, our newly-established Tourism and Business Improvement District, spearheaded by members of our hospitality industry, the Chamber and the City, are doing great work. They are developing a marketing campaign that will capture our “voice” as a city, introduce Torrance to others, and invite visitors so they can experience the richness we have to offer. In doing so, they bring in other contributors to our revenue stream. I look forward to seeing continued progress this year. Meanwhile, I’d like to share with you who I think the city of Torrance is.

Torrance is a resilient city. We have the ability to meet challenges and still make progress because of our strong foundations. Torrance is lead by a government that’s accessible and transparent, that ensures sound management of resources, that keeps a community safe, and that’s rooted in service. Torrance is sustained by a dynamic business community. Organizations recognize that their role in enriching community life here goes beyond the revenue they help generate. Torrance is enriched by its people. Residents are diverse, concerned about the community and engaged in helping find solutions; City staff are dedicated, skilled and hard-working; our workforce is highly-knowledgeable, capable and considered assets to any employer; our young people are smart, ambitious and engaged in community life.

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These are the foundations that have helped us achieve progress in 2010. In 2011, we'll continue to build upon them.

Torrance's unemployment rates have consistently fared better than the County, State, and the Nation. As of March 2011, our latest numbers, in Torrance, the unemployment rate is 6.1 percent<sup>1</sup>; in the County, it's 12.3%<sup>2</sup>, in the State, it's 12.0%<sup>3</sup> and in the Nation, it's 9.0%<sup>4</sup>.

While lack of employment filled the news, Torrance and its partners including the Torrance Area Chamber of Commerce, Pacific Gateway Workforce Investment Network, and then-Congresswoman Jane Harman's office, offered a career fair. The fair was attended by 50 businesses that offered jobs to almost 700 jobseekers. Following its success, in April of this year, we hosted another well-attended one. From this recent fair, some jobseekers have already been hired by Torrance businesses.

As a city, we are also aware of the Torrance Unified School District's own challenges to continue providing quality education, which is vital in nurturing the talents, developing the skills and expanding the knowledge of young minds. TUSD staff and teachers are doing excellent jobs at teaching our children. Our businesses are doing phenomenal in supporting them with programs such as the Chamber's "Junior Leadership Torrance program" or "Adopt-a-School." Our own Police Department offers middle school kids the "Leadership Development Program." Supported by ExxonMobil, this allows our police officers to supplement students' education with lessons on self-esteem, leadership, drug use, bullying, and other life skills. It helps students grow into dignified and confident individuals with a sense of purpose. Even our school systems stay resilient. With the community's support, principals and teachers, and staff continue to find ways to provide quality education. And with the money from Measure X & Z our schools are getting a needed face lift.

While infrastructure projects in other cities stalled due to the economy, the City of Torrance completed improvements on Crenshaw Boulevard, and parts of

Torrance Boulevard. And we'll continue to improve Torrance Boulevard from Sartori Avenue to Western Avenue. Additionally, we reached a milestone in a major capital project – Del Amo Boulevard Extension. Oftentimes, government agencies and businesses seem at odds with one another. This time, this project is an example of change in this relationship. This time, the City, State and Federal government, along with local business, worked together so the City can address a burning need for better traffic circulation. The City's determination, ExxonMobil's cooperation, the State's understanding, the Federal government's efforts to turn the tides, combined to give us enough funds - \$32 million to be exact – to literally construct change in our city; Del Amo Boulevard is finally being extended from Maple Avenue to Crenshaw Boulevard.

Continued deficits and cutbacks in federal and state budgets have caused transit operators across the country to reduce service, raise fares and layoff employees, Torrance Transit, however, maintained its budget without reducing service to customers. Moreover, Torrance Transit embarked on exciting projects such as modernizing its fleet to address environmental concerns. In 2010, we started transforming our fleets from an all-diesel fleet to greener Hybrid Gasoline/Electric Buses and we'll continue until we convert our entire fleet.

Showing foresight and prudence in managing our budget, in 2010, the City of Torrance seized the rare opportunities that we find, even in a tough economy. We made an investment for the future when we purchased property for the Torrance Regional Transit Center (Transit Center) and just last week, we fully funded the \$21 million project. With great excitement, we move forward in planning for this regional hub that provides exciting possibilities for economic development, and movement toward a more sustainable community. The Transit Center,

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which is anticipated to be completed in July 2014, will link Torrance Transit with METRO lines, Gardena Municipal Bus Lines, Beach Cities Transit and the Municipal Area Express commuter bus service. The South Bay Metro Green Line Extension is an important future component of this Center. With this exciting project, we are laying the foundations for securing our ability to move people in and out of our region. It's a significant step in helping local economies, improving quality of life by reducing traffic congestion, and improving air quality. Infrastructure projects nurture community life, create jobs and move us toward progress. So, we remain committed to these projects even within the limitations of current fiscal reality. Torrance is resilient.

Torrance is a safe and secure community. It's a place where people can freely enjoy activities and experiences during the day, and sleep soundly at night, because life and property are protected by our police and fire departments. Torrance is safe because it is served by a Police Department that operates more efficiently with an increase in civilianized employees this year. They have a staunch commitment to the community's safety in spite of changes in staffing levels. In fact, through Team Policing, they are doing more. Torrance is served by people like Officer Stuart Scott. Trained in team policing, Officer Scott took a simple traffic stop, followed up thoroughly and through that, discovered, and averted a case of potential elder abuse. The Torrance Police Department is also served by officers like Detective Dennis Brady who earned the Sustained Superiority Award from the Medal of Valor Committee for his work catching internet predators – a new threat brought about by modern times. Officer James Walker and Officer Phil Salas were also recognized by the Medal of Valor committee for their actions in saving the life of a distraught suicidal female. The officers were able to disarm the suicidal subject who had armed herself with two knives and attempted to take her life. We are all pleased with the work of our police officers.

Our Class 1 Torrance Fire Department also understands that the ability to serve better and respond more efficiently comes from constant training and continued education. In 2010, our Fire Department began conceptually exploring a Regional Public Safety Training Center. This may include partnerships with El Camino College, law enforcement agencies, and private industry, to better equip us with capabilities to address Homeland Security concerns. As technology evolves faster, and information flows quicker, our public safety personnel understand the need for increased cooperation to respond quickly to any threats. Our police and fire departments are already doing that. Torrance IS safe and secure.

Torrance is also a diverse city. As the Census report shows, our population of over 145,000 is made up of persons of every age, background, culture, and religion. It's a community served by a variety of businesses, who contribute to our diverse offerings of educational classes, fun activities and enriching experiences. Through our Community Services department, the City continues to offer these in well-maintained, improved, and even new, parks and facilities. In 2010, we paid tribute to our Armed Forces through the newly-opened Seaside Heroes Park. And next week, we'll continue our longest standing tradition of honoring our Armed Forces. I hope everyone comes out for the 52nd Annual Armed Forces Day Parade & Celebration.

Speaking of events, I want to thank members of the Centennial Committee as they continue to plan a year's worth of events and activities to celebrate our Centennial next year. Yes, 100 years!!! As we look at the last 100 years, we realize how far we've come, how much we have experienced, how much we have to celebrate. This is part of the reason that we hope to become an "All-America City" again. As one of the 26 finalists, we are sending a delegation to Kansas City, Missouri in June to help us win this Award again since we held this title in 1956. Thank you in advance to everyone in the audience who are part of this effort. Be sure to stay connected with the City; check out our Torrance Events Calendar,

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website and follow any of our social media pages to receive information about these events and activities.

We just received word from our State Assembly woman Betsy Bulter that the use of the property next to the court house will be developed into athletic fields. This was accomplished by Betsy's persistence with the Judicial Council of the State of California. On behalf of the City of Torrance I would like to thank Assembly woman Butler for her diligence on our behalf.

It isn't easy to balance the richness of our past, our present, and our hopes for the future. But our downtown area shows us that it takes one step at a time. This past year, while keeping its charm, we began to breathe new life into the Downtown area with the installation of LED lights, the opening of new restaurants such as Tortilla Cantina, 1321 Downtown Tap Room and the new evening Farmers' Market every Thursday. Revitalizing downtown is step by step process, and we'll continue on this road.

The reality of limited available natural resources, tied with fiscal ones, highlight the need for flexibility to shape Torrance into a sustainable community. In 2010, we have made progress in this area as well. We expanded our green waste recycling program. We also developed a new partnership with American Honda on its sustainability efforts through the electric vehicle. Toyota's collaboration with Shell and Air Products also brought us the Shell Hydrogen Fueling Station on 190th street; it's the first hydrogen fueling station in the country from an active industrial pipeline.

Who we are – resilient, safe, secure and diverse – serve as anchors in a time of change, as we grow into a city that stays relevant. In our Strategic Plan, the community developed a vision for our City in the future, defining what it means to be relevant, and charting our course to achieve it. The community envisions Torrance as a “premier City thriving in a global community while building on the past, taking action in the present, and pursuing a dynamic

future.” (Strategic Plan) So the question now is: how do we get there?

The past has laid our foundations, with 2010 helping us grow in new ways through our experience of different changes. The present calls upon us to choose wisely. We'll continue to face the impacts of these changes; it won't be easy but by remembering who we are, we'll find the strength to press on in order to better serve our community and shape it into a great one. In 2011, I encourage each one to pursue our dynamic future by doing two things with me. First, reset our minds. Let's shake the old way of looking at things, making space for new ideas and new ways of doing things. Second, renew our commitment to one another. Let's help one another as much as we can. Let's volunteer our energy, time, skills and talents. As Helen Keller once said, “Alone we can do so little; together we can do so much.” So, let's remember that what we'll accomplish is because of who we are, and we what we can create for, and with, one another.

It is in this way, that in 2011, we will revitalize Torrance. Thank you for listening.

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<sup>1</sup> Employment Development Department, March 2011 Report

<sup>2</sup> ibid

<sup>3</sup> ibid

<sup>4</sup> <http://www.bls.gov/news.release/empsit.nr0.htm>