

*Mayor Gavin Newsom
Second Annual State of the City
October 26, 2005*

Why It Matters to Be a San Franciscan

Thank you all very much for being here today.

I'd like to start by acknowledging the members of the San Francisco Board of Supervisors.

I thank you for your hard work and commitment to solving the challenges we all share as San Franciscans.

In particular, I'd like to recognize Board President Aaron Peskin.

Supervisor Peskin took the reins at the Board as we faced our fourth straight year of fiscal crisis.

He showed true leadership, along with Budget Chair Tom Ammiano, helping to shepherd our budget to unanimous passage.

I thank you both for your dedication and hard work.

I'd like to also acknowledge our Treasurer, Jose Cisneros,
Our Assessor, Phil Ting.
Our City Attorney, Dennis Herrera.
Our District Attorney, Kamala Harris.
Our Sheriff, Mike Hennessey.
Our Public Defender, Jeff Adachi.
City Controller, Ed Harrington.
And our new City Administrator, Ed Lee.

Thank you all for your service to our city.

I am also proud to be joined today by the command staffs of the City's Fire and Police Departments.

And in particular, I'd like to recognize Fire Chief Joanne Hayes-White and Police Chief Heather Fong –
they have both shown tremendous leadership in the face of great challenges.

And thank you to the students, faculty, and administration of San Francisco State University for opening your campus to us today.

It is unorthodox, I admit, to deliver the State of the City at a state university – but the choice was made with purpose.

It is on our university, community college and high school campuses that our future is taking shape.

It is here at SF State's Biotechnology and Life Sciences' Institute, at City College's stem-cell research training facility, and at Lincoln High School's Biotech Academy that San Franciscans are being trained to collaborate, connect and compete in today's knowledge-based economy.

Never has this collaboration and connection – and the knowledge it generates been more important to our city, our state, our nation or the new world we are trying to shape.

We are, after all, living in a world of rapid and historic change.
A world of discovery – fueled by the talent and creativity fostered on campuses like this.

Increased mobility of talent has shattered our concept of nations and sovereignty...
In this age of supercharged globalization our challenge is clear:

Sit still and be passed by –
or imagine and lead the way.

Here in San Francisco – we have always been pioneers, innovators and leaders.

150 years ago, when the gold rush slowed to a trickle,
San Franciscans thrived by
re-imagining a city where manufactured products like blue jeans - came to be worth more than gold.

100 years ago, when the City was leveled by the '06 earthquake, San Franciscans re-imagined a modern City.
A center of banking and commerce.
A city alive with culture.

And 6 years ago, when the dot.com boom became a bust, we imagined what could be –
and today, we are becoming a center for biotech,
commercial life sciences,
stem cell research,
clean tech and digital media.

This is not by accident.
We are San Franciscans.
We are a city of dreamers and a city of doers.

We are steadfast in our refusal to accept the status quo when it has outlived its usefulness.

We are firm in our commitment to progress - when others would be content to retreat...

As we enter the centennial of that great 'quake –
that tested our resolve and revealed our strength of character – our city, our state and our
nation are being tested once again.

Last month, we bore witness to the collapse of another great American city.
A city pushed to the brink of extinction by the failure of our federal government.

At the same time, we have suffered steady attacks from 2 Republican administrations
determined to hollow out all that we stand for.

But we have stood united.
Beating back the attacks by holding true to our values of tolerance, diversity and
compassion.

We are San Franciscans –
and when others hide behind divisive ideology we advance common solutions.

When others resort to despair –
we choose hope.

We're San Franciscans –
and when others give up,
we stand up for what we know is right.

As New Orleans sank, we did not sit idly by.
We offered shelter and care for over 800 Katrina evacuees.
And we sent 37 emergency personnel to assist the impacted areas.

Just last year an additional 1.1 million Americans fell into poverty last year,
and in response we created the first of its kind local Working Families Tax Credit.

We helped over 9,500 San Francisco working families claim \$2.2 million dollars locally
and leverage an additional \$20 million dollars in federal tax credits.

And as Medicaid and Medicare face \$35 billion dollars in federal cuts,
we have expanded universal health care for San Franciscans up to the age of 25.

And as Governor Schwarzenegger balanced his state budget by cutting City revenues \$25
million dollars,

And cut funding to our public schools by some \$60 million dollars,
we balanced our budget by protecting vital services and making an historic investment of
\$30.6 million dollars in our public schools.

Ladies and gentleman – it has never been more important to be a San Franciscan.

We are unique in our refusal to be defined or diminished by the divisive ideology of “us vs. them.”

More importantly, we are adamant about making tough decisions and leading by example.

San Francisco, today, is earning a foothold in burgeoning industries like biotech, life sciences, stem cell, clean technology and digital media – and in the process we are re-shaping the global economy.

It’s happening at the Hunters Point Shipyard... a symbol of the city that we once were –

And now the city we are becoming.

This sprawling site that once employed 8,000 San Franciscans will soon become a vibrant center for Clean Technology.

Strong tides, high winds, constant waves, abundant sunshine, combined with our highly educated workforce and academic resources, uniquely positioned Bay View and our City to become an international leader in this emergent industry.

Clean Tech, which is projected to create up to 114,000 new jobs statewide in the next 5 years, is one of the most significant economic opportunities for San Francisco today.

We will create a Clean Technology Advisory Council to advance the creation, adoption and use of Clean Technology in San Francisco.

Working in partnership with Supervisor Jake McGoldrick, we created and passed, just yesterday, a clean tech payroll tax exemption to attract companies in the vanguard of the industry.

This targeted tax exemption will do the same for Clean Tech as our biotech tax credit did for that industry.

Over the last 25 years, we have watched as biotechnology has evolved into a multi-billion dollar industry, creating more than 100,000 new jobs in the Bay Area alone.

And while there are over 900 life-science companies in the Bay Area, until recently there was not one headquartered in San Francisco.

Thanks to our biotech tax credit, championed by Supervisor

Alioto-Pier, and the phenomenal pace of growth at Mission Bay, San Francisco is destined to become a central hub for this dynamic industry.

Companies like Five Prime and Sirna Therapeutics have recently moved to the new Mission Bay and more are on their way.

When completed, Mission Bay will be home to over 30,000 new permanent jobs in life-sciences, biotech and related fields.

Increasingly, the world is looking to us in San Francisco to end the scourge of HIV/AIDS.

To find a cure for cancer.

To find solutions to genetic disorders like sickle cell anemia, Parkinson's, diabetes and Alzheimer's.

Today, thanks to our focused strategy and our successful bid to house California's stem cell institute, San Francisco and the Bay Area are ready to lead the world in these new discoveries.

And thanks to the work of our Digital Media Advisory Council, we are poised to realize the incredible potential of companies that will soon rival the likes of Pixar, positioning San Francisco to become the new "Digital Hollywood."

Companies like Lucas Arts, Wild Brain, and The Orphanage.

San Francisco and our mission as a city has never been more vital.

Thousands of jobs are coming online as well – transforming our economy and our workforce.

Making it imperative that our students study literature AND molecular life sciences; writing AND applied physics; history AND chemistry.

Fortune, after all, as Louis Pasteur once noted – favors the prepared mind.

That's why I am proud to announce that we will create a new high school dedicated to discovery, innovation and technology...

a school dedicated to preparing the minds of San Francisco's next generation.

The Science and Technology Academy will be a unique partnership between the City, the School District, the University of California, San Francisco State, City College and the private biotech and commercial life sciences sector.

Located at Mission Bay, the Academy will create an historic nexus between government, education, industry and the community, co-locating high school, two-year, four-year and graduate programs.

It will offer untold opportunities for collaboration, helping teachers stay current in their fields... and it will create unparalleled possibility by cultivating the creativity we need to sustain our future.

In this era of shrinking education and research funding – at a moment when the federal government is shortchanging the No Child Left Behind Act by some \$13.1 billion dollars...

... and also cutting the National Science Foundation budget by more than \$100 million dollars...

... at a moment when our Governor is engaged in a fruitless and misguided battle with our teachers...

... The Science and Technology Academy is an investment in our children and an investment in our future.

It will be an incubator for their imaginations, expanding their capacity to think and to dare.

It will be a magnet for talent and a gateway to lifelong employability.

Because while economic growth is a pre-requisite for expanding opportunity to everyone – a trained, qualified workforce is a pre-requisite for economic growth itself.

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Whether you're a chef or a carpenter, a teacher or a doctor, today's workforce competes globally on a web enabled playing field – sharing knowledge and resources in real time – without regard to geography or regard to distance.

In this environment, the ability of our workforce to compete is no longer guaranteed simply by graduating from high school.

Rather, it is guaranteed by providing lifelong learning to create lifelong employability.

We're competing directly with Mumbai, India; Wellington, New Zealand; and Dublin, Ireland. It's not enough to provide skills for employment – we must also provide tools for collaboration and innovation.

That's why we are partnering with the School District for example, to expand Mandarin language immersion.

This landmark program will create a pipeline for qualified teachers through exchange opportunities, help improve academic achievement and expand our students' capacity to compete in this new age.

We have also made universal, affordable Wireless internet a top priority.

We must view access to information as a fundamental government service akin to libraries or public schools.

Internet access will allow San Franciscans to become proficient in the language of technology and connect each and every one of us to the jobs and opportunities of the new economy.

But the internet, schools and libraries alone are not enough.

We must also ensure that there are jobs available to residents here in San Francisco to improve their own communities.

That's why we have created CityBuild.

An initiative that utilizes municipal construction projects to deliver training and employment opportunities to city residents.

I would like to thank Supervisor Maxwell for the tremendous leadership she has shown in making CityBuild a reality.

We will connect San Franciscans with the thousands of jobs created by capital projects like Laguna Honda Hospital and Hetch Hetchy rebuilds.

In those areas of our city, where life experience often outweighs hope – and disappointment too often erupts in violence – City Build and initiatives like it are helping to replace despair with possibility.

But we know all too well, economic development and job creation are only sustainable if our streets are safe.

That's why we've increased police staffing levels –

Training 220 new recruits by the end of the fiscal year, accelerating civilianization and returning officers to the streets.

We are focused on keeping our streets and city safe today – but we have not lost sight of the need to prepare for what may come tomorrow.

We do not know when disaster will strike, but we do know that it will.

We are San Franciscans, after all – and we are mindful of our past.

Barely 16 years after the Loma Prieta earthquake, San Francisco is more ready than ever to respond to a catastrophe – manmade or natural.

The Disaster Council, which had not met regularly in over 4 years, now meets quarterly.

We have secured some \$80 million dollars in Federal Homeland Security grants, money that we are using to expand our local and regional capacities to respond to an emergency.

San Francisco has been tasked with creating a first-of-its-kind regional emergency response plan that brings together the 10 Bay Area Counties, Oakland, San Jose and the State Office of Emergency Services.

Most notably, we have updated and revised our Emergency Operations Plan for the first time in over 10 years.

And we have created a new, second Emergency Operations Plan.

This document, which never existed before, is the nuts and bolts of our emergency response. It establishes a comprehensive plan to deal with earthquakes as well as other catastrophic events.

And we are putting it to the test. Because the truth is, any emergency response plan is a living, working document.

That's why our emergency services now conduct monthly tabletop and field exercises.

For the first time ever, City and regional first responders are simulating disasters like the London and Madrid bombings, ensuring that our response is coordinated, fast and effective.

And because we can only truly rely on ourselves to see us safely through an emergency, we will create our own urban search and rescue squad.

Led by professionals from the Fire Department and Departments of Public Works and Building Inspection, San Franciscans will now have even greater ability to rescue residents trapped by a disaster.

Whether it's an earthquake, tsunami or a terrorist attack, San Francisco's first-responders are ready to do their job.

But San Franciscans must be ready too – especially within the first critical 72 hours following a disaster.

So I ask every San Franciscan – Are You Ready?

Do you have the water, food, radio, flashlight and batteries that you'll need for yourself, your roommates or your family?

Do you have a first aid kit?

Do your kids know what to do and where to go?

Do you have a carrier for your pet?

Do you have essential prescriptions at the ready?

I urge all San Franciscans to go online to 72hours.org – to learn how to become emergency ready.

While readiness kits are essential, there is another way for San Franciscans to prepare for an emergency.

Our Neighborhood Emergency Response Teams are a critical element of our ability to respond in a disaster.

Currently some 8,000 San Francisco residents are active NERT volunteers, trained and ready to help their families and neighbors safely through an emergency.

Over the next several years, we will use Homeland Security money to continue expanding this national model, increasing the number of NERT-ready San Franciscans by over 2,000.

I applaud Supervisor Ma for her leadership on NERT and her support in finding creative ways to make sure our residents and our neighborhoods are emergency ready.

We will also expand ALERT, or Advanced Level Emergency Response Training, to increase the number of neighborhood leaders, trained and ready to assist other San Franciscans and first responders during a disaster.

As both your Mayor and as your neighbor, I urge every San Franciscan to become NERT certified...

To build your disaster kit...

To do everything within your power to become emergency ready.

The City is doing its part – we need you to do yours.

Without doubt, the catastrophe of Hurricane Katrina made clear the absolute necessity for individual emergency readiness.

It also laid bare the catastrophe of American poverty.

A catastrophe that we all know too well...
there are places in our city where streets are littered with blighted hope and disappointment.

Streets where violent crime remains unacceptably high.

It is clear – we cannot afford to wait for our national political leaders to find the will to address these problems.

It's up to us to create a new political paradigm – one tailored to the possibilities of our new world but anchored in the reality of our communities.

That's why, in August, we launched City Safe.

We've adopted a new approach to crime that focuses on the fundamentals of violence prevention: youth services, community development, job creation and a transformed community policing strategy tailored to the specific needs of our neighborhoods.

This new community policing strategy places two community organizers - and designates two police lieutenants in every district to work with residents to develop neighborhood specific anti-violence action plans.

Supervisor Mirkarimi has been our ally in our effort to make community policing a more effective tool in the fight against crime.
I thank him for his efforts.

These action plans are a blue print for a safer city, coordinating everything from job training and placement, to education and street light improvements, to an expanded police presence in targeted areas throughout the City.

I'd like to acknowledge the community policing team here with us today.
I Thank you for your commitment to our City.

We have high expectations of you and every confidence that you will meet them.

This team is on the streets and in the community every day.

Working in particular to connect at-risk youth with education and economic opportunity to help them build a future.

However we also bear an equal responsibility to our youth already in trouble.

This year we will reform Log Cabin Ranch, to create a model of rehabilitation that educates youth and provides long-term support to help them make a new start.

As part of our goal of redirecting our juvenile population away from the California Youth Authority,
we will explore the development of Hidden Valley Ranch as a possible regional CYA.

We also continue to search for innovative solutions to the problems of crime and violence.

Today marks the end of the 90-day trial period for the Western Addition's Safety Cameras –
and the data is encouraging.

Initial figures show that crime dropped 32% at the corner of Eddy and Buchanan.

Assaults, robberies and burglaries are all down as when compared with the same period the year before.

In response to this early data, and at the request of the community.
We will place additional safety cameras in high crime areas in the Mission, Hunters Point and the Bayview.

The new cameras will go up on the same basis as our original pilot for 90 days.
They will be assessed for effectiveness and community support before we determine whether or not we will make them permanent.

Though we cannot defeat poverty or crime with a single camera or a single program,
we can create lasting and visible achievements that will sustain the expectation that each year will bring greater opportunity than the last.

That is why we created the Communities of Opportunity.
To rethink and retool the way the city delivers services in partnership with CBOs and residents.

It empowers one lead agency to affect change, with the freedom and capacity to do what is right for the community.

Instead of City Hall telling residents what they need, Communities of Opportunity puts decision making in the hands of real people.

Under the leadership of the residents of Alice Griffith,
where we piloted this initiative,

We created a parent university, expanded day care, resurfaced streets, planted greenery,

refurbished housing and built a new Opportunity Center.

There residents can find training connected to real jobs, access the working families credit and health care, and learn how to build assets.

And that is the key – because whether you’re living in Alice Griffith, Bernal Heights, the Sunset or the Richmond – it’s jobs and asset building that will erase poverty and ease the burden for our working families and middle class.

For our working families the equation is simple:
a stable high-paying job makes it possible to build assets –
and assets make it possible to buy a home and raise a family in the City.

These are the fundamentals for making San Francisco a family friendly city – a goal for this administration and something we are making steady progress towards.

Unemployment is down 30% in the last 21 months... over 8,000 jobs have been created since the beginning of 2004... we are experiencing a 5.1% increase in sales tax revenue... and over 36 companies have relocated their headquarters to San Francisco, 19 in the last 9 months alone... companies like CH2M Hill, US Bank, Current TV, Cathay Pacific and Olivia Travel that provide stable jobs and livable wages.

We are helping families build assets through pioneering initiatives like Bank on San Francisco, which helps residents enter the financial mainstream by opening bank accounts.

I’d like to acknowledge Treasurer Cisneros who has taken the lead developing this national model.

We are also opening doors to home ownership – making it possible for more San Franciscans to realize the dream of owning their own home.

Working with Supervisor Elsbernd, a champion of homeownership, we've established Home 15/5, setting a goal to build 15,000 new units of housing over the next 5 years.

It’s an ambitious goal - when you consider that in the 1990s housing production was just over 1,000 units annually, or just over 10,000 units for the entire decade.

We have set a goal we can - and must achieve.

Over the next 5 years, we will see the construction of more than 3,000 housing units, every year – the highest annual level of housing construction since the City was rebuilt

after 1906.

We will create 25,000 new jobs and generate \$4.8 billion dollars in new construction activity...

We will build close to 5,000 new homes - affordable to low- and very low-income households with the highest annual production of affordable housing ever.

We will also make a lasting investment in neighborhood planning.

Across the city, we are collaborating with San Franciscans to create a more livable and family friendly city.

Plans for the Market-Octavia area, Balboa Park and the Central Waterfront are nearing completion.

And this fall we will begin work on the Geary Corridor, Glen Park and Visitacion Valley Plans.

In the last 12 months we have completed plans for Transbay, Rincon Hill and Mid-Market areas - making available opportunities for the construction of thousands of new housing units – and the enormous community benefits that come with them.

And by next year, the Third Street Light Rail will be completed – furthering our commitment to making San Francisco a transit first City and greatly expanding MUNI's capacity to get San Franciscans where they need to go – most notably to and from the Southeast sector of the city.

... Anchored by new housing and revitalized economic corridors. Brightened by open space and parks.

Both walkable and accessible to transit.

Notable for public art and smart design...

... These plans set a new standard of livability, one that includes such tangible abstracts as architectural excellence and design.

Because the time has come to advance architecture and urban design that elevates civic pride and inspires the mind.

We will set clear expectations for excellence.

Engaging builders, architects, community leaders and organizations in the understanding that every act to construct and change, however small, is a chance to improve our city's livability.

We know, though, that business as usual will keep us from reaching our goals.

Under new leadership, both the Planning and Building Inspection Departments are beginning much needed reforms.

We've invested substantially in new staff and technology to streamline permitting and planning.

And we are committed to eliminating the backlog of over 20,000 units to speed the approval process.

Assessor Phil Ting is our partner in this effort to make city government work smarter.

He has made it a priority to eliminate the four-year backlog of new construction appraisals that cost the city millions in lost revenue.

For families, though, while home ownership, asset building and jobs are important – livability is determined first and foremost by the quality of our public education system.

That's why we have made an unprecedented commitment to our schools, our students and our teachers.

Despite the overwhelming evidence that quality teaching makes a real difference in student results and academic achievement, our schools are seeing a steady decline in teachers with four or more years of experience.

They are leaving just at the point when they have mastered the art of teaching largely because they can not afford to live in the City.

We must turn this tide.

Over the next 5 years, we will make a significant investment to bring the best and the brightest to teach in difficult-to-recruit subject areas and hard-to-staff schools.

We will create a new pilot initiative that will allow the city to repay student loans for qualified math, science and special education teachers.

We will create a first-time home buyer's program that helps teachers and their families buy their first home in San Francisco.

But we can still do more to improve our schools and to encourage families to stay and raise their children in San Francisco.

Just this past September, we rolled out the first phase of universal pre-school. We will expand this effort so that every San Francisco child, without exception - has the advantages of early learning by 2009.

We will make the Working Families Tax Credit permanent so that more working families can access the federal earned income tax credit and save more of the money they earn.

We've set a goal to make universal After-School a reality for all elementary and middle school kids, so that San Francisco's youth have a safe place to play and study during the critical after-school hours.

We will launch an information and referral website created by parents for parents, to better connect families to the incredible resources and services available in the city.

And we will do more for our homeless families to help them leave the cycle of homelessness.

The current homeless family system of care helps families only after they are in crisis.

It is a backwards approach that has resulted in extraordinarily high-costs and unequal returns.

Because once a family has fallen into despair, it is exponentially more difficult to return them to stability.

This system must be reformed.

We will apply the same innovative Housing First approach to our homeless families - that has provided 1,025 homeless adults with a place to call home.

And has helped create - over 1,592 units of new permanent supportive housing.

I'd like to recognize Supervisor Dufty for his work helping us get this far.

Housing First will help open the door to permanency for families just as it has done for single adults.

In the next year, we will refocus the homeless family system to help our poorest families find stability by expanding eviction prevention programs and augmenting our rental housing fund.

But having a home goes beyond just four walls.

It's about being part of a neighborhood and the larger community.

That's why we are shaping a new urban environment.
Creating a city rich with public art, green spaces, clean streets, and community gardens.

We're tapping our creative best to create a more livable city.

We've broken ground on the new Academy of Sciences that will meet the world's highest standards for green building design.

We've completed the new Octavia Boulevard, transforming an elevated freeway into a green way anchored by a vibrant new park.

We've opened the new De Young Museum, already an international architectural icon.

And we have inspired a renaissance of public art that can be experienced at over 200 sites across the city – like the David Best sculpture at Hayes Green or Michael Christian's ambitious new work called "Flock" that will be coming to Civic Center next month.

It is here, in our public spaces – our streets, our squares, our parks, our buildings – that the resourcefulness and imagination of our City is revealed.

Just last June, Mayors from around the world joined me in signing the United Nations Environmental Accords.

These accords reflect our commitment to make San Francisco a model of urban greening and sustainable living – investing in renewable energy and open space, increasing recycling and improving neighborhood parks.

With these accords, we made a commitment to the world and to our city.

We can do better – and we will.

We are launching a new initiative that will allow us take a green leap forward in the next 5 years.

Thanks to our newly adopted budget and our Livable City Initiative we will invest \$11 million dollars to transform major thoroughfares like Van Ness and 19th Avenues into lushly planted thoroughfares.

Retail corridors like San Bruno and Leland Avenues and Polk Street will express their unique neighborhood character with distinctive gateways, trees and flowers.

We will plant 25,000 new trees.

Residential districts will be improved block-by-block with traffic calming.

Schoolyard gardens will take root and new parks will bloom.

We will create a matching grant program called the Community Challenge Fund.

To encourage neighborhoods to partner with the city and transform unused public lands, medians and sidewalks into landscaped, friendly green spaces.

And this spring, we will shut down the polluting Hunters Point Power Plant - for good.

And we will expand our Community Benefits Districts to include 6 new neighborhoods, further building on this proven, grassroots economic development tool, that 5 communities have already adopted.

We will introduce a landmark Better Streets ordinance that sets comprehensive standards for landscaping and street design.

I look forward to working with the Supervisors to share this vision and make it a reality for the city.

Greening, though, is just part of making our City more livable.

The Livable City Initiative will also make San Francisco a leader in green building design, setting the highest standards of efficiency and sustainability for new developments.

We are also looking at long-term solutions to the problem of energy costs and energy consumption.

That's why I have directed all city departments to place solar panels on their roofs.

Because for every 50,000 square feet of solar panels we install,

We will generate 500 kilowatts of energy – enough to power a building the size of City Hall.

Truly, creating a sustainable - livable city is an environmental imperative and an economic necessity.

As we re-shape our urban environment, we are re-imagining San Francisco as a city of possibility...

A city that will attract families – and so nurture the next generation.

A city that will attract economic investment – and so ensure that our basic needs are met.

A city that will attract talent and creativity – and so guarantee that we are positioned to connect, collaborate and compete in the new world economy.

We are looking to the future, even as we tend to the present.

For we recognize that we can neither thrive nor compete if we don't first fulfill our obligation to take care of those living in our city.

That means providing universal health care access for ALL San Franciscans.

We estimate there are 83,000 San Franciscans without health care insurance.

This does not mean, though, 83,000 San Franciscans are without medical care.

In fact, many of these residents already access primary care through the City's comprehensive health system.

Every year over 98,000 people are seen at SF General and more than 100,000 at the 15 primary-care clinics across the city.

We spend over \$1 billion dollars annually – yet still thousands of San Franciscans fall through the health care cracks every year.

We must do better.

We must create universal access for all residents.

But, how do we do this?

One - we will audit our public health system to re-engineer primary care delivery so we know what's working and what's not.

Two - we will build on the lessons learned at the Tom Waddell Clinic, where we have cut visit time from 90 minutes to 45 minutes, shortened waits and increased productivity by 30%.

Savings like this will allow us to provide more immunizations and checkups to more patients throughout the City's network of care – without increasing costs.

Three - we will expand clinic hours so that working families can access the care they need on evenings and weekends.

And lastly - we will hire a new Chief Operating Officer to work with the Department of Public Health to ensure universal access.

At every level, we are investing in a health care system that will sustain us through this new century – by providing universal access for every San Franciscan, young and old alike.

Senior citizens represent the fastest growing population in the City, accounting for over

18% of our residents.

With advanced age, comes the need for more services and increased care, both to prevent elder abuse and neglect, and to ensure that seniors can remain in their homes, living in dignity and in place rather than high cost, impersonal institutional care settings.

To help make this possible we will create a new Long Term Care Coordinating position to ensure that our seniors have access to the full array of living and care options.

This is compassionate policy and good government.

And it is also a clear illustration of our resolve to reform the way San Francisco does business.

If we are to compete with cities like Toronto, Tokyo and Tel Aviv, we can no longer afford to do things simply because that's how they've always been done.

If we are to compete we must first put our house in order.

SFStat is the first step.

This innovative management tool is transforming the way city government works.

We've eliminated 1,500 positions and reduced payroll by \$78 million dollars.

We have consolidated 6 city departments.

Workers comp costs are down 15% from the previous year, a savings of \$5.6 million dollars and overtime is down \$9.3 million dollars as compared to 2 years ago.

The Fire Department alone has lowered overtime by \$2.7 million dollars.

We have reduced the city's vehicle fleet by 21% resulting in \$1.2 million dollars in annual savings.

Cell phone use by city workers has been reduced by one-third – saving taxpayers \$1 million dollars.

And we have initiated new cost-saving measures, investing some \$10 million dollars in efficiency projects that will produce an estimated \$23.7 million dollars in reduced costs - or increased revenues over the next 10 years.

And we have invested in a 3-1-1 system, that will greatly improve customer service and satisfaction at City Hall.

Imagine having one point of contact – one number to call – answered by a human being. 24-hours a day, 7 days a week, 365 days a year...

to report your wallet stolen, to have graffiti removed, or to have the street lamp in front of

your house fixed.

3-1-1. Will revolutionize the way the City does business, making City Hall instantly accessible and more accountable.

We have also undertaken a comprehensive overhaul of San Francisco's century-old Civil Service system.

We will require mandatory performance evaluations - as the cornerstone of efficient and effective management.

And since 43% of our workforce is now 50-years or older, we have directed all departments to create a seamless workforce transition plan to ensure there is no interruption in essential services.

We will also simplify civil service rules, which comprise 4-encyclopedia-sized volumes.

The old rules relied on a cumbersome hiring process. It could take a City Department 6-12 months to hire a qualified candidate – compromising our ability to compete for the best and brightest.

Today, thanks to the reforms that we are putting in place, it will soon take just 60 days for departments to make a permanent hire.

We simply cannot afford to do business as usual.

I am firmly committed to reforming City Government and our civil service system.

Across the board, City Hall is responding to the challenges of this new age.

We have become more nimble and more flexible, providing better services more efficiently... and we are doing it in partnership with our residents.

The concept for governing a city today is simple: government works only if the people it serves are connected to the services they need.

That's why Project Homeless Connect has proven such an effective solution.

A solution that we see in action every month at Bill Graham Auditorium.

Since we started Project Homeless Connect last October, some 11,000 San Franciscans have volunteered their time to help connect over 5,000 homeless individuals with food, medical care and other vital assistance.

We've partnered with over 150 private companies like Lens Crafters, Nextel and Luxor

Cabs, as well as over 100 non-profits, including Dolores Street Community Services, the Haight Ashbury Clinic and Glide Memorial, tapping into our city's diverse network of resources, expanding our capacity to care.

We've provided hundreds of homeless San Franciscans with immediate detox, shelter and housing with case management, helping them take the first step toward stability.

One such person is with us today.

Kendra Stewardson, is a Vietnam Veteran and transgendered.
She is also the Homeless Connect Volunteer of the Year – and a former Connect client.

Last December, a Connect volunteer found Kendra lying in a doorway on Larkin Street.

She agreed to go to a linkage station.
She was given lunch, a check-up and housing.
And that's when Kendra started to turn her life around.

Today, Kendra is in permanent housing and is a member of Homeless Connect's Senior Leadership Team –
teaching Connect volunteers how to approach homeless people.

Kendra's story is but one example of the extraordinary outcomes that can be achieved when we refuse to accept the status quo and instead dare to ask "What If."

Kendra is just one reason why 17 cities, including Miami, Chicago, Portland and Atlanta are taking part in a National Homeless Connect Day on December 8, when cities across the country will implement San Francisco's model of innovation and change.

And Kendra is just one reason why now, more than ever, it is essential for us to be San Franciscans.

In this era of divisive prosperity and growing poverty,
when mediocrity has replaced talent and ideology has trumped compassion at the very highest levels of government...

San Francisco stands for something great.

This city has always been more than a place...
San Francisco is an idea.

The idea that diversity builds a stronger society...
that tolerance advances democracy...
that compassion is essential for a better world.

This is what we stand for.

This not an idea, however, without adversaries.
That's why it has never been more important to be a San Franciscan.

From Washington to Sacramento, the very foundations that support a diverse and tolerant city like ours are being undermined and hollowed out.

But here, anchored firmly in our enduring values, San Francisco is leading the country and the world by setting a different example.

We are on a clear path forward, powered by our imagination and ingenuity.

We've successfully adapted to the new world economy, laying stake to new industries and emerging as a center of creativity, discovery, talent and tolerance.

We have set the bar high –
and we continue to push it higher, taking risks and identifying solutions to the challenges we share.

Ladies and gentleman – the state of our city is strong and growing stronger every day.

Ahead of us lie great challenges – and great days.

But we are ready.

We are a small city that dares big... bound only by our capacity to imagine.

In these times when the very idea of a city like ours is under attack – I offer a vision not for a hollow city but for a whole city.

And I ask you to join me as we embark on a shared voyage of possibility.