

Thank you Randy.

As Randy mentioned, unfortunately Mike Murray had quite a bad biking accident last week and couldn't be with us today. I know all of us will miss his James Brown tribute! Maybe Randy could sub in on that too?

Mike's company, Verizon, has been a tremendous corporate partner in working with the County and our residents.

Within the last few months, Verizon has donated thousands of dollars worth of equipment, services, and support... providing the County free high-speed Internet access into the new Sorensen library branch, which serves residents in my district in unincorporated South Whittier.

Additionally, they have been instrumental in the launch of the County Channel over the past year, helping us increase access to over 1 million cable subscribers across the County. Thank you to Verizon for sponsoring today's event.

I also want to thank my good friend Dr. Noel Hacegaba for joining us today and for his inspiring invocation.

Thanks to our Long Beach Police Department Color Guard and Chief McDonnell for the pledge.

I want to thank the Long Beach Chamber Board Chair Jim Eaton, the Chamber's Board of Directors, Randy and his hard-working staff for making today's event possible.

And of course, my partner of over 42 years, Julie ... and my family who are here today... I'm so pleased that just last week, Matt and our daughter-in-law Briana, blessed us with a granddaughter, Kyla Joy.

I am honored that so many of you have joined us. This is our fourth year and I really appreciate the continued support of the community.

While you have come to hear about the STATE of the County, I'd like to also give you some thoughts about the FUTURE of the County.

But let's start with the past year.

(ECONOMIC SITUATION)

They say, “The more things change, the more they stay the same.” And unfortunately, that is not good news on the unemployment front. Last year, the unemployment rate in LA County was 12.2 percent. As of the end of October, it is 12.6 percent.

This ongoing unemployment has continued to swell the ranks of those seeking public assistance from the County, causing caseloads and costs to increase accordingly.

While our costs are going up, our revenues are going down. Over the last three years, the County’s sales tax revenue has decreased by \$210 million, while property tax revenue has dropped \$132 million over the last two years. While we are seeing some leveling off with the property tax – and even some increase on the sales tax side – managing a budget and providing critical services in this environment is extremely challenging.

These challenges are not just OUR story... the State recently announced a \$25 billion shortfall and the national

debt is around \$13.7 trillion. All of this economic uncertainty has led to stagnation.

And this stagnation has Americans angry.

We certainly saw that anger reflected in the recent elections. Americans are frustrated. They're tired of the gridlock, the fingerpointing, and the partisanship that gets us nowhere in addressing the fundamental issues that are challenging our country and threatening our economic position in the world.

But as Colin Powell once said, "Get mad, then get over it." Look, everything that happened in this election did not happen in California. In fact, this year is the 25th Anniversary of "Back to the Future," which pretty much sums up California. Except here, instead of Doc Brown, we got Jerry Brown.

Given the \$25 billion shortfall that I mentioned the State is facing, I am very concerned about any shell games the State will try to play at the County's expense. The State cannot balance its budget on the back of local government. If they pass on cuts to Counties, the impacts will be horrific. Or, if

they move programs from the State to Counties without the accompanying funding, we will have a real mess on our hands.

To the credit of my colleagues on the Board, our CEO Bill Fujioka and the many department heads who are here today, the County has, for many years, been prudent in managing our finances.

Piling on debt by expanding entitlements and creating massive new government programs will not turn our economic situation around. As the former Governor of Colorado Richard Lamm said, “Christmas is the time when kids tell Santa what they want and adults pay for it. Deficits are when adults tell the government what they want – and their kids pay for it.”

That’s just not responsible governing.

I’m very fortunate in my role as Supervisor to move beyond that bickering partisanship and focus on finding solutions to the challenges we face. But I can’t do it alone and I appreciate the support I have received from so many of you in the room today. It takes every sector of our community –

government, business, non-profits – to commit to work together. We need everyone in this room to own our economic problems and to find solutions.

It's time to take action. It's time to move forward. It's time to get to work.

Let me show you some highlights from last year:

As this video shows, so many people across this County have done extraordinary things this past year, under difficult and trying circumstances... with reduced budgets – on average they faced 17% reductions over the last three years – fewer employees, more people needing their services, and fewer resources to provide them. Yes, they got mad, but they got over it – and they got to work.

And that should be the primary mission of everyone in this room – getting people back to work! Our recovery begins and ends with jobs, plain and simple.

Let's talk about where we are...

(10,000 JOBS PROGRAM)

When the Federal Government announced \$750 billion in stimulus funding, my jaw dropped – probably much like yours! Last year I told you about the 10,000 Jobs Program we started in the Fourth District. We were able to find a way to use some of this stimulus funding to get people back to work... In fact, a lot of people: I'm pleased to say that we far exceeded our goal – getting jobs for 11,000 adults and 15,000 disadvantaged youth. It was one of the greatest uses of stimulus funding in the nation – creating desperately needed jobs and stimulating our region's economy.

For many local companies, this program was a desperately needed lifeline. And while it saved many businesses, it also prevented many people from having to go on welfare. The best news of all is that nearly 1500 people have landed full-time, permanent employment because of this program.

For the companies which participated, it meant an opportunity to fuel their businesses and, in several cases, keep their doors open. Many companies are starting to turn the corner and have been so pleased with their temporary

employees – that they hired them permanently! I would like to recognize a few such companies:

CDR Financial Services of Long Beach hired every one of their 20 temporary employees into permanent roles. Walter Larkins, owner of CDR Financial Services, said about the program: “Our company was in a real bad position. Our cash flow had taken a dive. This program allowed us to ramp up quickly. It’s changed the whole direction of our company.”

D&G Sports Ventures is a company in Bellflower which manages Paintball facilities. The good news about D&G is that they hired 25 of their 10,000 Jobs Program participants into permanent roles. Giovvani Degidio [*pronounce: dej i dee o*] of D&G Sports, said that the hard economic times had a big effect on his business and they were planning to let go of staff. Then they joined the 10,000 Jobs Program. Not only did they increase staff and not have to cut hours, they actually generated more work and increased sales.

Thank you to Walter and Giovvani for being here with us today and congratulations on the success of your businesses.

This program is a prime example of spending smart and using taxpayer money wisely. I'm convinced that subsidized employment is a key economic driver. It's not a short-term, band-aid solution that we can't afford. It's supporting businesses and helping people get jobs and take care of their families. In the end, it saves us money. It's not a hand out, it's a hand up.

Unfortunately, Congress didn't take action to approve the funding that would have continued the 10,000 Jobs Program. But given its overwhelming success, I will continue to advocate for the re-authorization of funds. People desperately need jobs and this program made a big difference for thousands of families.

(DEVELOPMENT PROJECTS)

I want to continue on the theme of jobs and update you on a few of the infrastructure and capital projects I told you about

last year. Across the Fourth District, we have over 70 projects underway totaling more than \$233 million in investment. And the best news is that these projects equate to over 2500 people being employed full time.

Let me tell you about a few projects that I know many of you in this room are watching:

The Termino Avenue Storm Drain. The construction of this nearly two-mile long storm drain will protect the historic neighborhoods of southeast Long Beach and the surrounding communities from flooding during major storm events. The second phase of this massive \$22.6 million public works project is at a critical phase of construction – burrowing under 7th Street – and remains about three months ahead of schedule, thanks to the dedication of our County Public Works personnel, the City of Long Beach and the residents of this community.

We expect the project to be completed next November.

We also have some terrific new community centers coming to Rowland Heights and Hacienda Heights. I love these

projects because we have brought the community together to help design them. And we're building them to the highest environmental standards. As community centers, they will become just that: Centers of the Community, providing recreational, exercise and educational opportunities for young and old alike. Completion of both Centers is expected in 2013.

We're also set to break ground on the new Long Beach Courthouse in 2011. We're working to have it named in honor of the widely-respected and admired former Governor George Deukmejian.

As many people "stay-cation" rather than vacation in times like this, our ability to provide recreation and fun for families becomes even more important. Over the last year, we've made some dramatic improvements to our parks and golf courses.

At Orange Grove Park in Hacienda Heights we're building a passive park with a jogging path, exercise stations, and picnic and play areas.

We're also upgrading the Riverbed bike path along the San Gabriel River. The reconstruction of 460 feet of the bike path just south of Del Amo Boulevard will dramatically improve safety and enjoyment for riders. We expect the trail to be fully available to cyclists in the Spring.

We're improving several of our local golf courses to enhance the overall golfer experience, help cut costs, bring new green technologies to the County and introduce the sport to a whole new generation of young golfers, our future customers.

We've also continued our support of County Art Programs, which are a vital ingredient in the County's quality of life, as well as its economy. In fact, the creative economy is the second largest employment sector in the County's economy, providing more than 300,000 jobs. The funds we grant to arts organizations make possible free performances so that those who cannot afford to buy tickets can enjoy outstanding music, dance and theater performances.

(TRANSPORTATION)

I've been talking a lot about jobs today. I myself took on a new job this year

Looking good huh???

As you may know, I am Chairing Metro this year. It's an incredibly active time for transportation in LA County. The people of this region have, time and again, shown their desire for public transport options – taxing themselves THREE times in the last three decades, desperate for relief from traffic and smog.

Sure, we have serious traffic challenges. But with Measure R – one of the self-imposed taxes I mentioned – we can fight traffic without overreaching our finances. Measure R will also allow us to accelerate our transportation plans through our 30/10 initiative, speeding up execution – and allowing us to get projects built faster and at a lower cost. And at the same time, we'll be jump-starting the economy by creating well over 100,000 middle class jobs.

To make this all come together requires innovation and new ways of operating. As I've said before, we need all sectors

of our community to work together. So, we're looking for ways to partner with the private sector to build and maintain projects. Public-private partnerships can shave years off construction so we get the mobility benefits sooner. And the final cost of the project drops because it beats inflation and takes advantage of today's competitive construction bids. The point is that Uncle Sam is getting tapped out and the old pay-as-you-go financing model can't keep pace with the demand for new projects. So we need to be creative. And we are.

First, the air is getting cleaner, in part because Metro is getting greener. Next month we will retire our last diesel bus. Metro will then become the first major transit system in North America to run on alternative fuels.

On the traffic front, it's been 20 years since we opened the Metro Blue Line from here in Long Beach to downtown Los Angeles. In that short period of time, we've expanded Metro Rail to 79 miles of track and five rail lines. And we're poised to nearly double Metro Rail in the next 10 years, if we can leverage our local tax dollars with federal low-interest loans,

bonds and grants. And finally there will be a connection to LAX!

There are over a dozen rail and bus improvement projects in the works from downtown to the South Bay and out to Whittier. On a parallel track, we're trying to advance some key highway projects including one near and dear to my heart, which has caused all of us heartburn, the I-710 South project.

I know the people in this room care deeply about the 710. And for good reason. The Long Beach Freeway is a vital transportation artery, linking the Ports of Long Beach and Los Angeles to major Southern California distribution centers and rail. Anyone who's been on the 710 South knows the challenge of mingling truck and passenger traffic. It's been a long haul forward, but there's finally movement. Draft environmental studies should be completed soon, clearing the way for the project to enter environmental review and preliminary engineering.

Where highways are concerned, we made significant progress this year on the final leg of the carpool lane

between Orange County and the San Fernando Valley. The I-405 Sepulveda Pass widening project – 10 miles of HOV lane between the 10 and the 101 freeways – is on schedule. And when complete in 2013, commuting is going to be much easier for the 300,000 people who travel through the Sepulveda Pass each day. And it's creating 18,000 jobs.

I know many of you commute on the Harbor Freeway. Soon, with Metro's ExpressLanes program on the Harbor Freeway you'll have the option of paying to use toll lanes to move faster than the flow of traffic. The ExpressLanes project is part of the transit plan to make better use of the highways and roads we already have ... since there's not much space for building more. And making good use of what we have is the fiscally responsible thing to do.

We have to take good care of our infrastructure. To help us do that, cities in the Fourth District are getting 15 percent of Measure R money as it filters in. This money is distributed to the County's 88 cities and unincorporated areas for local transit-related projects like pothole repair, bike lanes, sound walls, lighting and traffic signals. So far Long Beach, for

example, has received over \$2 ½ million and is making good use of it with street resurfacing and sidewalk projects.

(METROLINK)

I also sit on the Board of Metrolink. The same goals exist there – public transportation that is safe, fast and clean.

For those of you who may not understand how all these agencies work together, Metrolink serves as the regional operator of commuter trains for five counties in Southern California, including LA, Orange, Riverside, San Bernardino and Ventura. Obviously, we all need to work together as we have passengers traveling across County lines.

The latest news with Metrolink again involves smart use of taxpayer money and new jobs. Last month, the Metrolink Board exercised the option to purchase 20 additional, state-of-the-art, safety-enhanced Hyundai Rotem railcars for a million dollars under market value per car. Just this Monday, we debuted the first ten cars, which are now on track throughout the system. 127 cars will follow. Metrolink is the nation's first rail provider to use these new cab and

passenger cars equipped with ground-breaking safety technology.

They are being shipped from Korea to the United States through the Port of Long Beach. From the Port of Long Beach, the cars are transported to the City of Colton for assembly, creating nearly 100 jobs right here in Southern California.

Safety is paramount at Metrolink. In fact, it is leading the nation in the installation of Positive Train Control technology, known as PTC, which revolutionizes rail safety. Through next generation collision avoidance technology, we are doing everything possible to avoid a tragedy like what happened in Chatsworth. Last month, through a competitive grant, we received over \$6 million in federal funds to support the program.

As you can see, there are a lot of exciting new developments in regional transport. Mobility is the linchpin of the economy and all these projects we're undertaking not only will create jobs during construction, but will attract development around the transit stations that will keep on generating jobs.

I invite you to take a ride soon – you never know who will be driving the bus!

(CHILDREN)

I want to switch gears for a moment and talk about some of the critical services the County provides. To this day, the scope and breadth of all the County does amazes me. Most people don't know that the County provides lifeguards for the over 55 million beach visitors we have each year. Or that we provide over 2 million meals to seniors. The County also manages nearly 150 parks, golf courses, pools, nature centers – and of course the big-ticket venues like the Ford Amphitheatre, the Hollywood Bowl, Disney Concert Hall and LACMA.

But beyond the sheriffs, fire department, road work, trash collection – the nuts and bolts of what the County does – without doubt, the single most important responsibility that I have as a Supervisor is to protect the most vulnerable children in our community. This is where our employees are dealing with the lives and safety of our at-risk kids.

Many of you have probably read about the problems we have been having in our Department of Children & Family Services. Let me say first – don't believe everything you read! There have been some media attacks on the department. But the job of the Board is to sort through the facts and data, and to review the Department's operations to ensure it is aggressively protecting the children who need us most.

While mistakes unfortunately happen, we must focus on solutions, not fingerpointing. The media attacks on the department, which have often included erroneous information, have obviously had an impact on those social workers who have dedicated their lives to protecting children. So yes, they get mad... but they get over it and they get to work.

I would like to highlight a few of our social workers who have gone above and beyond in their role of protecting children in the County:

In February 2010, Torrance Social Worker Daniella Bertuccini received a new case in which 2- year-old twins

had been abducted by their paternal grandmother the month before. Over the course of 4 months, Daniella, in conjunction with LAPD and Sheriff's Deputies, searched last known addresses for the paternal grandmother in all corners of LA County. Simultaneously, she worked with law enforcement in other states, as well as the National Center for Missing & Exploited Children, doing everything she could to locate their grandmother.

Daniella learned that the grandmother was residing in Missouri receiving financial assistance for the children. Her extensive efforts to locate the children pressured the paternal grandmother to surrender them. Due to Daniella's tireless commitment, and the coordination of local and national partners, these children were located and returned back to Los Angeles where their mother is currently working with the Department to safely reunify with her children.

A few months ago, while responding to a severe neglect referral on a 5-month-old baby, Lakewood Social Worker Renee Marshall discovered that the infant's twin appeared to be visibly underweight and small. Renee immediately transported the baby to Miller Children's Hospital ER where

she expressed her concern to multiple doctors. Renee stayed onsite with the mother until 1 a.m. and accompanied her home. She then worked another 8 hours to ensure that the baby's condition was thoroughly assessed. The baby weighed a little more than 4 pounds at birth, and only 9 1/2 pounds upon admission to the hospital. After 3 days, her weight was over 10 pounds, a substantial weight gain. Renee's supervisor believes her actions saved the baby's life.

Daniella and Renee have joined us today. I want to thank them for keeping focused on what matters most – and going above and beyond to safeguard our children. Their tireless efforts are saving lives and giving kids a chance for a brighter future.

(SOCIAL AND HEALTH SERVICES)

As you have heard me say so often, LA County often serves as the safety net for those most at-risk in our community. Some of the most important services we provide are Social and Health Services. I've mentioned before our Safe Surrender Program, which allows a mother to hand over a

newborn baby without any fear of retribution or criminal charges within the first 72 hours of a baby's life.

I'm so pleased to tell you that just this week we had our 5th Safe Surrender of the Year and 81st since the program began 9 years ago. I am happy this mother made the right choice for her baby and safely surrendered him at an LA County Fire Station in the City of Industry. While this could have ended in tragedy, a baby boy now has a long life ahead of him.

On the health care side, the County is often the only hope of those who find themselves without medical insurance. In fact, across County facilities, we have about 2.7 million outpatient visits per year, 260,000 emergency room visits, and 490,000 hospital inpatient days. That is a massive undertaking and an enormous expense.

I wanted to give you an update on two of our major hospital facilities:

The Harbor-UCLA Medical Center in Torrance has provided health care services to the Greater South Bay Community since 1946. It is currently going through a major facelift.

The Board approved a \$333 million plan to minimize overcrowding in the emergency facilities by tripling the size of Harbor's emergency department and renovating the surgical ward. Construction has begun and is expected to be completed in July, 2013.

The County is on track to open the new Martin Luther King Jr. Medical Center in 2013. It will have 120 beds and an emergency department with the capacity to accommodate more than 30,000 annual inpatient visits and 10,000 annual outpatient visits. The new facility will be privately-owned and operated by a new non-profit entity with an independent Board of Directors that will oversee the hospital's operations. By mutual agreement, the County will provide ongoing funding and the University of California will provide physicians and establish standards regarding quality assurance.

While I am very pleased that these projects are moving forward, the reality is that we must evolve the way we provide healthcare. We need to move away from a model that relies on gigantic hospitals. We have some very

successful Community Clinics across LA County which provide excellent care and support for our big hospitals.

Some providers even take it to the streets. We have a great example in the Fourth District with the South Bay Family Health Care's "Healthy Kids Express." This mobile clinic goes to local schools and community events, to provide preventative services, like immunizations, but also to care for kids who are ill, but cannot seek medical care.

They help many children meet the requirements to get into Head Start programs. And they've been known to help out in those "what was he thinking" moments – like recently when a young boy stuck a pencil eraser in his ear!

I'd like to thank South Bay's CEO Jann Hamilton Lee, who is with us today, for all that her organization is doing to help kids who don't have access to healthcare get the services they need to grow up healthy.

Similarly the Children's Clinic and the Children's Dental Clinic provide much needed services to those who may not otherwise receive them.

These types of clinics should be expanded, which would relieve some of the over-crowding we have at our large hospital facilities, and public and private emergency rooms. Community Clinics can support the work of big hospitals, by providing more routine and non life-threatening services at a lower cost.

The cost of providing health care is top of mind at the County, as I know it is with the business leaders in this room, no matter what happens with the new Congress and ObamaCare. Let me be clear – expanded care is a good thing. But, it is not yet clear what increased coverage means and who foots the bill. We must control costs and be smart about how we provide services.

(NON-PROFITS)

Earlier I asked each of you to play a role in moving beyond “Anger in America” and focusing on getting to work. I’ve talked about what government is doing and recognized businesses that are putting people to work. The final pillar I would like to briefly highlight is our non-profit community.

We have many non-profits here today and in LA County who have been especially hard-hit by the economy. When they are needed most is when they, too, are struggling the most. Yet, instead of getting mad, they get down to business and help those most at-risk and vulnerable in our community.

Today, we continue our tradition of supporting local non-profits through this event, with donations to The Ronald McDonald House and US Vets.

Under the leadership of my dear friend Ron Piazza, Ronald McDonald House recently announced plans to build a facility on the Long Beach Memorial Hospital Campus. The House will provide low-cost temporary housing for families of seriously ill children who are receiving treatment at Miller Children's Hospital and other medical facilities.

US Vets is the nation's largest non-profit provider of services to veterans facing challenges in their transition to civilian life. They provide housing, counseling, career development and other support, to help veterans and their families get back on their feet.

Many of these men and women have sacrificed so much for the freedoms we enjoy, and often take for granted. We owe them respect and a debt of gratitude and if there is anything we can do to help them get back on their feet, we should do it.

As many of you know, I have a nephew in Iraq. While there is always worry and fear, it is particularly hard on families at this time of year when they are separated from their loved ones. Let's give special thanks to our men and women in uniform, who are courageously serving our country and truly deserve the honor and respect of their fellow Americans.

I'd also like to recognize Ron Piazza and Nicole Rubin from Ronald McDonald House and Greg McCormack and Linda Maldonado from US Vets – thank you for all you are doing in support of those in the community who need and deserve our help.

(CLOSE)

I hope I've shown you today that despite all the anger we're reading and hearing about, people across this County – be they in the government, business or non-profit sector – are just getting to work.

And while I tried driving a bus, I don't want to quit my day job. Because to tell you the truth – I LOVE IT. Serving Los Angeles County and the people of the Fourth District is my honor and privilege. And I want to continue the work I have going on today.

So, I want you to know that I will be running for reelection in 2012!

I hope we can continue to work together to make this nation's largest local government – what would be the 9th largest state in America – the shining example of what can happen when all stakeholders in a community come together for the benefit of all.

As Ronald Reagan once said: "America is no stronger than its people - and that means you and me. Well, I believe in you, and I believe that if we work together then one day we will say, 'We fought the good fight. We finished the race. We kept the faith.'

Ladies and gentlemen, let's finish that race... together. Let's not be angry ... Let's get to work!

And from my family to all of you, however you may celebrate the holidays, we wish you a Merry Christmas, a joyous holiday season and a prosperous and healthy New Year.

May God bless you and may God bless the United States of America!