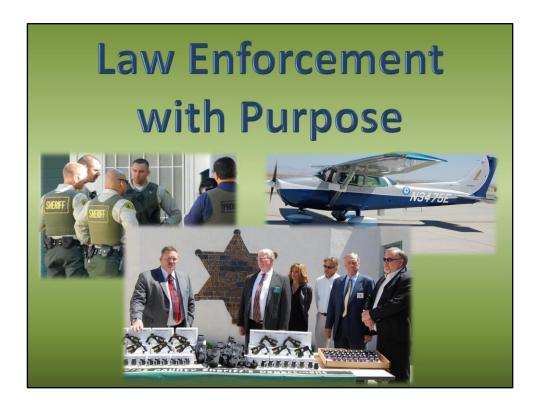




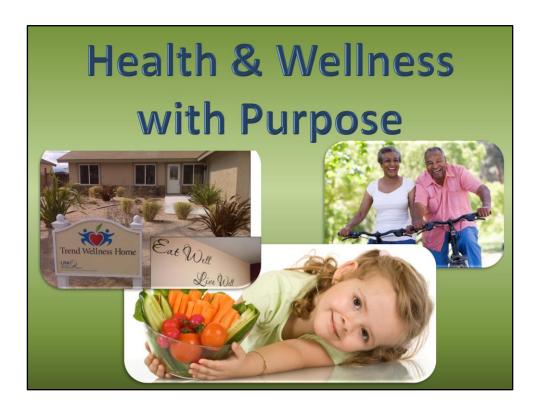
Our Purpose

- The job of local government is to address the needs of and champion what's best for the community and its citizens.
- Ideally, each wheel set in motion along the path of a city's legacy will begin to crush
 the barriers which stifle growth and prosperity, allowing for an open trail of seeds to
 be sewn for a promising future.
- We, at the City, have made this our onus; seeking to evolve our efforts from striving
 to meet the most basic of needs in our neighborhoods and business centers, to
 setting our sights on the loftiest achievements imaginable for the Antelope Valley.
- The only way this is achievable is by making every effort count for something; something meaningful, impactful and wave-generating.
- Everything we do at the City of Lancaster is done with a specific purpose in mind;
 with the intent to serve a greater good for our residents and businesses.
- And this has already paid off on so many levels; with the greatest benefits having yet to be realized.



Law Enforcement with Purpose

- When I became Mayor, I made sure crime reduction was the City's top priority.
- Since that time, Lancaster's Part 1 Crimes have dropped nearly 40%, and continue to trend downward in spite of the State releasing increasingly more hardened criminals onto our streets.
- From the record increase in Neighborhood Watch and Business Watch groups to the installation of community-driven commissions, to the implementation of more special policing teams and cutting-edge crimefighting tools; our attack on crime has not let up one bit.
- Crime reduction will continue to be a top priority for our City because the basic, essential need for safety sets the ground floor foundation for our purpose as a municipality.
- With the combined efforts of law enforcement, City staff and Lancaster's citizens, Lancaster's crime rate will continue to decrease.



Health and Wellness with Purpose

- In addition to protection from external harm, citizens living in a flourishing community must be protected from internal harm; issues which occur when healthy choices and accessible treatment for illnesses are unavailable.
- From grass roots efforts to state-of-the-art facilities and world-renowned treatment centers, the City of Lancaster has worked hard to ensure citizens have access to the help and information they need to gain and maintain a healthy lifestyle.
- We are so grateful for City partners such as Antelope Valley Partners for Health, who has been incredibly instrumental in facilitating numerous health and wellness endeavors throughout our community.
- Because of organizations like this... ones that truly care about the quality of life in our Valley, we have grown in leaps and bounds as a community focused on healthy living.



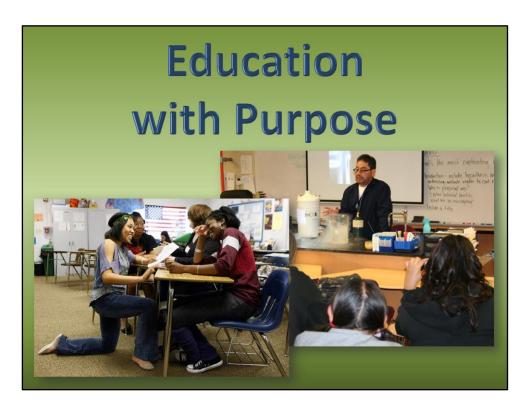
Health and Wellness with Purpose

- Last year, the level of care and attention to the health and wellness needs of this community propagated with the opening of the City of Hope's 59,000 square foot medical and educational center in Lancaster.
- Blessed with a full-service cancer center, conference center, and 172-seat auditorium; Antelope Valley citizens can have greater hope when facing lifethreatening disease, and get the care they need without needing to travel long distances for treatment and consultation.
- Another incredible facility which was recently completed is the new Multi-Service Ambulatory Care Center (MACC), which offers a 39,000 square foot ambulatory surgery center and 38,000 square foot clinical services building.
- The Antelope Valley has historically been severely underserved when it comes to urgent care services.
- It is good to finally see a substantial investment in the health and wellness of our community residents.



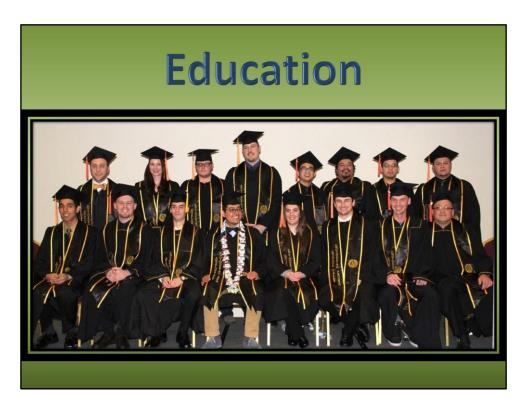
Health and Wellness with Purpose

- And so much more is to come... as we eagerly await the new Kaiser Permanente facility, which is actually being constructed ahead of schedule.
- Kaiser's 136,000 square foot state-of-the-art building is emerging in the heart of Lancaster and will include major procedure rooms, an infusion center, and much more.
- This new Kaiser Permanente facility will also utilize solar water heating and reclaimed water, making it the first of its kind to qualify for the Leadership in Energy and Environmental Designs platinum certification from the United States Green Building Council.
- Lancaster is finally seeing a genuine response to our quality care deficit, and I –for one – am extremely excited to see the health of our community change course in the future.



Education with Purpose

- You know what's always amazing to me... no matter what the conditions, socio-economic status, and cultural background... no matter what the challenges are in any given community; there is always a rising cream-of-the-crop surfacing to defy the odds.
- This is how I feel every time I hear about SOAR High School and the incredible people who are a part of that educational culture.
- At the end of the 2011-2012 school year, SOAR students received an API score of 945, which placed them at the top 1% of all high schools in the nation...
- Not the top ten or five or three percent... but the TOP ONE PERCENT in the entire nation... and this is happening right here in Lancaster.
- Many of these students graduate from high school with an Associate's Degree, saving them both time and money when it comes to their college education.
- This couldn't be more ideal for them or us as a community; hungry for talented, gifted and ambitious young leaders for tomorrow.
- For those of you unfamiliar with SOAR's structure, this school is designed to truly nurture the "STEM"... Science, Technology, Engineering, and Mathematics... the disciplines which have accounted for the true backbone of our region's rich history of innovation.
- Again, with great purpose, a wonderful opportunity has been created for such enterprising
 youth to continue their higher education pursuit right here at home.



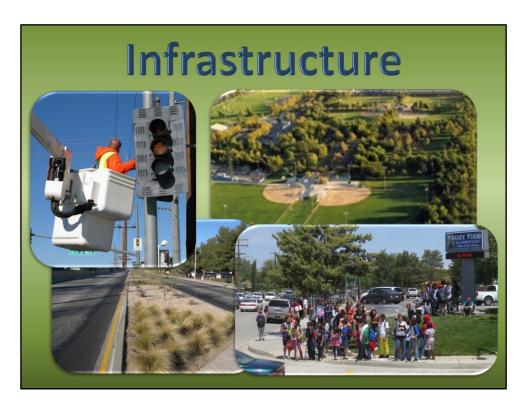
Education with Purpose

- Thanks to the cooperation of the Lancaster University Center and California State
 University of Long Beach, up to 150 students can participate in 2 ½ year cohorts which
 culminate in a Bachelor's Degree in Engineering.
- Without relocating or commuting long distances, Antelope Valley residents can now achieve an accredited four-year university Engineering degree locally.
- (Pictured here are the first 18 graduates of CSU, Long Beach's Antelope Valley Engineering Program)
- The partnership between LUC and CSULB has also provided for an extended opportunity to offer Spanish G.E.D. classes here in Lancaster.
- The Coalition for Human Immigrant Rights of Los Angeles identified a substantial need in the Antelope Valley for additional Spanish G.E.D. classes, and offered to sponsor instructors and course materials if we could provide the space.
- Now, 150 Spanish-speaking students at a time can earn their G.E.D. in just six months without having to travel outside of the City.
- The City of Lancaster will continue to work with purposeful diligence to expand all
 educational opportunities available to our citizens, for this is the only way to truly grow our
 intellectual resource base as a community with a truly promising future.



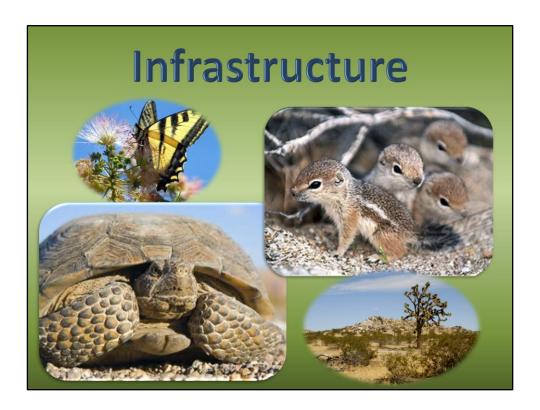
Infrastructure with Purpose

- Having successfully addressed the basic needs of safety, health, and education; our next area of focus is city infrastructure.
- The lay of the land; how we maintain it; how we improve it; and how we ensure it is gainfully sustainable for future generations is critical to achieving a strong community legacy.
- One would expect the ongoing economic climate (which continues to cripple communities nationwide) to bring to a standstill our ability to improve and further develop our City's infrastructure, but that simply hasn't been the case.
- Lancaster has been honored for both improvement and innovation when we are operating at our leanest as a municipality.
- Last year, the American Public Works Association awarded the City of Lancaster with the APWA Best Improvement for Public Safety Award for our Neighborhood Traffic Calming Project.
- And the California Resource Recovery Association recognized the City for its "Outstanding E-Waste Program"... praising our innovative 24-Hour Recycling Center.
- And these are only the tip of the iceberg in terms of what the City has done with its infrastructure in 2013.
- Through a grant from the Los Angeles County Public Health Healthy Eating Active Living (HEAL) program, Lancaster has developed a city-wide Safe Routes to School Master Plan.



Infrastructure with Purpose

- The City's current Capital Improvement Program is one of the best we've ever seen.
- It includes 89 projects fully-funded by Measure R, grants, specialty funds and other resources, but zero – I repeat ZERO – dollars in the CIP come from the City's General Fund.
- And since our own City crews have opted to do the work, we're six weeks ahead of schedule, producing 40% more output, and saving 60% in overall costs.
- City crews have upgraded 137 signalized intersections; installed 12 Smart Crosswalks; mounted 225 video detection cameras, and replaced 600 batteries.
- They've also replaced more than 900 signal heads with countdown timers; over 3,800 LED red, yellow and green bulbs; and installed 100 pedestrian push button audible devices.
- Local parks, including Rawley Duntley, Tierra Bonita, Sky Tower and Mariposa, have been rehabilitated with new equipment and necessary repairs for public enjoyment.
- And our safe routes project list has been implemented several months early to ensure children can travel safely to and from school.
- The City is literally paving the way to a sustainable future by meeting the needs of the present without compromising the ability of future generations to meet their own needs.



Infrastructure with Purpose

- · And we mean this on every level...
- Going a step further, the City entered into an agreement with Wildlands, a
 habitat land management company, to acquire 160 acres of conservation
 property for the long-term preservation of the desert tortoise, Mohave ground
 squirrel, and other sensitive species habitats.
- This is important because smart infrastructure isn't only about what we create, but also about what we preserve.
- Our purpose in improving and implementing infrastructure is to arrive at the right balance for our community... one that enhances functionality, heightens safety, encourages "green" mobility, and includes nature preservation.



Operations with Purpose

- Of course, none of what we do would be possible if our internal operations weren't as efficient and effective as they are.
- With fewer resources available to function and meet the increasing service needs of the community, City staff has aggressively streamlined operations without sacrificing performance.
- Our success is evident when we consider the 1600 CLEAR Choice nominations City staff has received since the program's inception, with 10 percent of those occurring in 2013 alone.
- We've also been blessed with 130 citizen volunteers who eagerly assist staff with ongoing projects.
- In partnership with AmeriCorp, the City is also utilizing Vista students to develop a valley-wide volunteer program, which includes a new volunteer website.
- Their work is making it easier for organizations and volunteers to connect, ultimately providing more services to our residents and businesses.
- Volunteerism offers an excellent fiscal savings, and is just one of the many ways the City has been able to cut costs, while maintaining service levels.
- Demonstrating, once again, the significance of maintaining a conservative budget, the City of Lancaster has been awarded the prestigious Certificate of Achievement for Excellence in Financial Reporting for the 27th year in a row.
- The City's creative use of staff and volunteers, along with its exemplary level of financial management, shows that purposeful utilization of scarce resources can reap great rewards in service and savings.



- Outside of the walls of City Hall, scarce resources continue to be a significant factor, as well...
- Which is exactly why we insist on providing the best experience possible for new and expanding businesses.
- As a result, Lancaster was once again named Los Angeles County's Most Business-Friendly City by the LAEDC, beating out such finalists as Santa Monica, Glendora and Paramount.
- Lancaster is the first city in the program's history to win the award twice, and it's no wonder given the businesses we've attracted as of late.



- BYD, a leading international firm specializing in rechargeable batteries, vehicle manufacturing, and green energy technologies, selected Lancaster as the home of its first manufacturing facilities in North America.
- Morton Manufacturing, a precision aerospace fastener firm, relocated its manufacturing facility and corporate headquarters to a custom-built 88,000 square foot complex in the Lancaster Business Park.
- This growing firm will bring 350 jobs to the Antelope Valley.
- Two additional facilities, which will further build-out The BLVD, are an 8,000 square-foot mixed use office and retail development that is already fully leased; and the Lancaster Promenade III, which will feature more than 50,000 square feet of office, commercial and retail space.
- Lancaster is also gaining two new hotels, the Marriott TownPlace Suites and the Best Western.
- To further strengthen Lancaster's hospitality industry, our seven largest hotels have teamed up with the City and community stakeholders to form Lancaster's first Tourism Business Improvement District (TBID).
- A new Visitor Center for Destination Lancaster will be located at the Lancaster Chamber of Commerce offices, as well.
- With all of the changes going on in Lancaster, we continue to get recognized for the direction of our efforts:



- Lancaster recently received the Pinnacle Award from the International Downtown Association for our BLVD Transformation project.
- The City's downtown revitalization effort has transformed a \$41 million public investment into \$275 million in economic benefit, creating more than 2,000 new jobs and 50 new businesses.
- Lancaster is truly a landmark destination, and with that premise...



- We've enhanced Destination Lancaster.
- Destination Lancaster is the Antelope Valley's convention and visitors' bureau.
- 2013 marked the launch of a new marketing effort, which included:
 - o Promoting Valley-wide special events to other economic regions
 - An attractive visitor's guide
 - o Upgrades to the Destination Lancaster website
 - o A new Trip Advisor page, and
 - A partnership with the Lancaster Chamber of Commerce to host a new Visitor's Center in Downtown Lancaster.
- These efforts are geared toward increasing tourism activity across the Antelope Valley, which greatly strengthens our local economy.
- It's undeniable... We're on fire... growing Economic Development with great purpose.



- When it comes to Arts and Entertainment, we've got it all...
- Last year, our community staple, the Lancaster Performing Arts Center, featured more than 50 season performances and presented 20 Arts for Youth programs.
- The BLVD's newest gem, the Museum of Art and History, displayed 34 exhibits to more than 8,000 patrons in 2013.
- Within the next two months, the completely refurbished Cedar Center complex will be unveiled as a vibrant art center.



- On the recreational front, sports tourism continues to excel with softball and soccer tournaments hosting more than 2,800 teams, resulting in an economic impact of \$14.2 million.
- The City also hosted the 5th Annual Dan Tran Invitational Swim Meet, which drew 1,200 participants and 4,500 attendees.
- · Now you see why those additional hotels are so important...
- As far as our annual community-gathering activities go, residents and visitors continue to enjoy in masses the California Poppy Festival, Summer Concert Series, Bark at the Park, Streets of Lancaster Grand Prix, BooLVD, and Magical BLVD Christmas, among other staple events.



And, in spite of budgetary cutbacks and reduced staff, the City of Lancaster
was even able to incorporate the inaugural Field of Drafts Craft Beer Festival,
which was an overwhelming success.



- Coming next month, we'll all be in for a real historic treat when the Blue Angels perform above Fox Airfield March 21st and 22nd.
- The City of Lancaster is always seeking inventive ways to bring culture and entertainment to our community because we recognize the significance of these elements in creating a well-rounded society.
- Managing these events takes an incredible toll on City staff, but they are always joyfully dedicated to orchestrating one-of-kind experiences for our citizens to enjoy as often as possible... thus fostering committed excellence in delivering arts and entertainment with a purpose.



- In case you somehow haven't noticed, the City of Lancaster has launched an all-encompassing Alternative Energy Campaign which has hurled our city into the limelight of forward-thinking communities on the national and international platforms.
- With more than 40 MWs of solar generation capabilities currently operational, an additional 200 MWs under construction, and another 33 MWs under review; Lancaster has engrossed news and film crews from literally around the globe, even drawing a designation from the New York Times as the "Alternative Energy Capitol of the Universe."



- Why is Lancaster getting a seat at all of the global solar roundtables? ...
 because our community has set into motion a relentless stride in a rapidly
 emerging market, which not only holds great employment opportunities for
 our hurting workforce, but also builds a foundation for global sustainability,
 while saving everyone money.
- Did you know that Lancaster is number one throughout the State of California in per capita solar energy generation?



- Via Solar Lancaster, five City facilities have been converted to solar-powered energy, and 25 school sites have already installed more than 32,000 solar panels...
- Resulting in an average annual savings of more than \$470,000, with no outof-pocket costs.



- KB Home, with SunPower, has constructed more than 2,300 solar homes, generating 5.27 MWs of capacity.
- And as impressive as their "Home of the Future" is, KB Home has managed to go even a step further...
- In just two weeks, the Zero House 2.0, another collaboration between KB and SunPower, will launch with an additional grey water component.
- Speaking of solar-powered homes... the California Energy Commission has approved Lancaster's new solar home ordinance; and just two weeks ago, we issued the fifteen hundredth single family residence solar permit.



- More solar development is on the rise with US Topco recently completing its first of many solar power projects which will generate and sell energy to SCE and other utilities.
- And the 580 MW 3,000 acre Antelope Valley Solar Project currently being constructed is bringing 650 much needed jobs to our region.
- Alternative energy savings is spreading all over our city... we've even installed LED lights on The BLVD.
- All of these "green" activities have put Lancaster at more than 29% of peak load for phase one of our agenda.
- Expecting to reach 50% of peak load by this June, the City of Lancaster is well on its way to becoming the first Net-Zero city in the world.
- We've planned carefully; risked thoughtfully; and navigated effectively in order to become the Alternative Energy Capital... and we will continue to forge full speed ahead, serving not just a local, but a global purpose for everyone's benefit.



Conclusion

- I couldn't possibly be any prouder than I am of this great city.
- We are consistently getting better at doing more with less as a community.
- At times, this has been an uphill battle, but we've never given up on the
 possibilities; we've taken on every challenge with hope and vigor; and we've
 moved every step of the way with the resolute purpose of adding increased
 value to our community.



- Our once small desert town is now a thriving metropolis, standing on the cusp of unfathomable stardom... kind of like the acorn that grows into a giant, sky-touching tree.
- We are blossoming with great purpose... and we are setting the example for our nation and, indeed, the world.