



# ***Atascadero City Council***

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## ***Staff Report – City Manager’s Office***

### **Strategic Planning 2010**

#### **RECOMMENDATIONS:**

City Council take the following actions:

1. Approve the Strategic Planning program; and,
2. Approve the Planning Horizon; and,
3. Reaffirm the City’s Mission Statement; and,
4. Develop a preliminary list of discussion issues; and,
5. Accept the draft Environmental Scan.

#### **DISCUSSION:**

Introduction: The purpose of strategic planning is to anticipate the future, envision what the organization must become in order to operate effectively with that future, and make plans for moving the organization from what it is to what it needs to become to be successful. The Strategic Plan identifies strategic issues, establishes broad goals, and states general priorities.

In Atascadero the strategic planning effort was first initiated in 1997 as an effort to develop and coordinate organizational priorities on a citywide basis. The City Council annually reviews, updates or revises the City’s Strategic Plan. Typically in the odd numbered years following the election, the City Council creates two-year goals as part of the strategic plan which is used as the foundation for developing the City’s budget. In the even numbered years, the Council meets to check progress of the plan and provide any steering corrections necessary.

The 2009 strategic planning effort produced a mission statement, which is:

*The City of Atascadero is committed to building community by fostering an outstanding quality of life with excellent public service, stewardship of the environment, preservation of our heritage and promotion of economic prosperity.*

Supported by three City goals which are:

- Grow the City's Economy and Pursue Economic Development
- Enhance Public Safety
- Stabilize the City's Finances

The City Council experienced a political shift in 2008. The new City Council has an aggressive economic development agenda and has been faced with one of the worse economic downturns since the great depression. The 2008 workshop did not give the Council adequate time to work through the new agenda and the interpersonal issues they faced during the creation of their work team. Additionally, it has been several years since the Strategic Plan had a comprehensive review. The timing is right for a full revision of the City's Strategic Plan and therefore, the upcoming 2010 strategic planning effort will more fully focus on looking to our current and future constraints and opportunities, re-establishing priorities, developing plans for implementing City Council goals and strengthening the City's financial strategy.

#### Proposed 2010 Strategic Planning Process

Staff proposes to cover the strategic planning process over the course of several meetings from now through February 2010, leaving the final workshop (anticipated to be an all day meeting) to concentrate on Council goals and their implementation.

During the first phase, beginning at tonight's meeting the Council will:

- Take Public Comment about Strategic Planning and the issues to be covered
- Approve or modify the Strategic Planning program
- Approve or modify the Planning Horizon
- Reaffirm or modify the City's Mission Statement
- Develop a preliminary list of issues that need to be discussed (Issues already identified by Council are included in Attachment 1)
- Review and accept or modify the Environmental Scan (staff has prepared a draft for Council review, Attachment 2)

In the second phase the Council will, at the December 8<sup>th</sup> City Council meeting:

- Review economic information affecting the City
- Review the City's financial condition
- Review and accept or modify a five-year financial strategy
- Take Public Comment regarding issues to be reviewed
- Add to the list of Council review issues

In the third phase the Council will, at a Special Session that will be scheduled before the January 12<sup>th</sup> meeting:

- Take Public Comment on Labor issues
- Review a primer on how labor relations work in cities
- Review current labor contracts
- Review opportunities and challenges for the City's work force

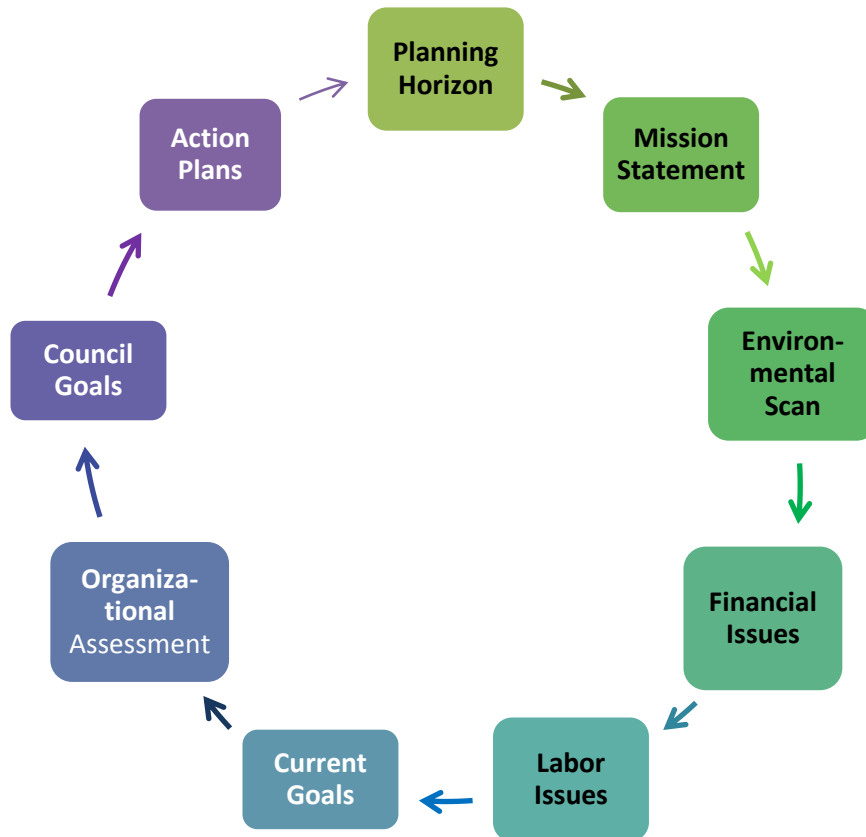
In the fourth phase the Council will, at the meeting of January 12<sup>th</sup>:

- Take Public Comment on goals to be considered
- Review the City's General Plan goals
- Review the Economic Development Strategy goals
- Review the current City Council goals
- Review progress report on Council goals
- Review current services provided by the City
- Create a list of *What the City does well?*
- Create a list of *What areas do we not do well?*
- Complete the list of issues for Council review

In the final phase the Council will meet in an all day workshop, which will be scheduled on a day convenient for all Council Members, during which the Council will:

- Take Public Comment on goals to be considered
- Consider the information developed in the first four meetings
- Develop future scenarios
- Discuss the list of issues
- Reaffirm, modify or establish new goals
- Develop action items and implementation steps for Council goals.

The diagram below illustrates the Strategic Planning Process:



### Planning Horizon

The Planning Horizon is the timeframe toward which the entire planning process is geared. It is established by determining the period of time for which the future can be predicted with relative accuracy. The Planning Horizon also represents the timeframe within which the action plans developed later in the planning process will be implemented. Typically this has been two years and this effort will be held at the end of year one. Staff is recommending a planning horizon again of two years.

### Mission Statement (Current)

The City Council adopted the following Mission Statement at their regular meeting on February 24, 2009:

*The City of Atascadero is committed to building community by fostering an outstanding quality of life with excellent public service, stewardship of the environment, preservation of our heritage and promotion of economic prosperity.*

Does the City Council still agree with this statement?

## Environmental Scan

The purpose of the Environmental Scan is to identify those formal and informal groups that affect and influence the environment we operate in and to identify trends that will impact our organization. Groups are divided into four categories: customers/clients, regulators, resource providers, and competitors. Consideration is given to past trends and whether or not they will continue in the future. The Environmental Scan produces sensitivity to those groups that affect the work environment. This effort results in awareness of the conditions, demands, constraints, and impacts we may expect in our work environment in the future.

A draft Environmental Scan has been developed by staff (Attachment 2).

### **FISCAL IMPACT:**

None.

### **ATTACHMENTS:**

- Attachment 1. - City Council Strategic Planning 2010 - Issues
- Attachment 2. - City Council Strategic Planning 2010 - Environmental Scan

# City Council Strategic Planning 2010

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## Issues

In Atascadero the City Council has typically started the strategic planning process with a list of current issues important to the community. The list is developed by the City Council and helps to ensure that everyone's projects and concerns are discussed when evaluating current realities or establishing future scenarios.

The following is a preliminary list of issues identified by the Council:

- Economy
- State impact on local finances
- Labor Relations
- Pavement striping for traffic calming and pedestrian safety

# City Council Strategic Planning 2010

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## Environmental Scan

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### **Who are our customers/clients?**

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Clients are the recipients or users of our services. The users or recipients of the services of the City of Atascadero are:

- Assessment Districts
- Business
- Chamber of Commerce
- Construction Industry
- Employees & their Bargaining Groups
- Facility Users
- Homeless
- Main Street Board
- Motoring Public
- Nonprofit Groups
- Real Estate Industry
- Residents
- Schools
- Seniors
- Special Interest Groups
- State Hospital
- Tourists
- Transients
- Water Company
- Youth

The trends we see in our clients are:

- Assessment Districts
  - ✓ Higher level of service
  - ✓ Organized
  - ✓ Local
  - ✓ Concerned about money
  
- Businesses
  - ✓ Expect help
  - ✓ Viable voice
  - ✓ Better organized
  - ✓ Believe City is supportive
  - ✓ Increased influence
  - ✓ Competition continues with neighboring communities
  - ✓ Struggling
  - ✓ Mix is changing
  - ✓ Want more promotion from City
  - ✓ Business leakage continues to increase
  
- Chamber of Commerce
  - ✓ Influence
  - ✓ Manager doing a good job
  - ✓ Improved relations
  - ✓ Energy affected by the economy
  
- Construction Industry
  - ✓ Demand more
  - ✓ Connected
  - ✓ Trying to figure out the world
  - ✓ Anxious about the economy
  
- Employees & their Bargaining Groups
  - ✓ Tentative
  - ✓ Concerned about future
  - ✓ Grateful to have a job
  - ✓ Want recognition
  
- Facility Users
  - ✓ Want more for less
  - ✓ Expectation of City to waive fees for non-profit groups
  - ✓ Increased use

- Homeless Advocacy Groups
  - ✓ Organized
  - ✓ Visible
  - ✓ Advocates are active
  - ✓ Shelter issue is big
  - ✓ Political
  - ✓ Need money
  
- Main Street Board
  - ✓ High maintenance
  - ✓ Disorganized
  - ✓ Not clear on goals
  - ✓ Resources are an issue
  - ✓ Little understanding of finances
  
- Motoring Public
  - ✓ Need services
  - ✓ Upset about road condition
  - ✓ Isolated traffic areas
  - ✓ Need for traffic calming
  - ✓ Upset about road construction delays
  
- Nonprofit Groups
  - ✓ Looking for more resources
  - ✓ Looking to partner
  - ✓ Looking to City for leadership and money
  - ✓ Rely heavily on tax dollars
  - ✓ More sophisticated
  
- Real Estate Industry
  - ✓ Anxious about the economy
  - ✓ Connected
  - ✓ Influence community
  
- Residents
  - ✓ Expect more with less
  - ✓ Skeptical of government
  - ✓ Like community and environment
  - ✓ Same-to-more involvement
  - ✓ Getting older
  - ✓ Unwilling to tax themselves
  - ✓ More computer usage
  - ✓ More informed

- Schools
  - ✓ More stable
  - ✓ Easier to work with
  - ✓ Aging facilities
  - ✓ Declining enrollment
  - ✓ Financial situation declining
  
- Seniors
  - ✓ Getting organized
  - ✓ Volunteers
  - ✓ Numbers are increasing
  - ✓ More concerned about social and political issues
  - ✓ More active
  
- Special Interest Groups
  - ✓ More vocal
  - ✓ More groups
  - ✓ More organized
  - ✓ Grass roots
  - ✓ Use Internet
  - ✓ Issue generated
  - ✓ Polarized
  - ✓ Financially strapped
  - ✓ Political
  
- State Hospital
  - ✓ Continued partnerships
  - ✓ More communicative
  - ✓ Labor unrest
  - ✓ Impacted by State budget
  
- Tourists
  - ✓ Big opportunity
  - ✓ Have higher expectations
  - ✓ Numbers are increasing
  - ✓ Many headed to wine country
  
- Transients
  - ✓ Increased numbers
  - ✓ Increased calls for service

- Water Company
  - ✓ Status quo
  - ✓ Continue to be successful
  - ✓ More helpful to City
  - ✓ Concerned about future water supply
  
- Youth
  - ✓ Drugs
  - ✓ Sex
  - ✓ Need activities
  - ✓ More involved in electronics
  - ✓ High percentage graduating and going to college
  - ✓ Driving problems
  - ✓ Lots of teenage drinking
  - ✓ Increased tobacco use
  - ✓ Congregating in Sunken Gardens

## **Who are our regulators?**

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Regulators are those individuals or groups that establish or enforce controls, limits, or boundaries on what we can and cannot do. The individuals and groups that regulate the City include the following:

- Air Pollution Control District (APCD)
- California Regional Water Quality Control Board (CRWQCB)
- Citizens
- County
- Federal
- San Luis Obispo Council of Government (SLOCOG)
- Special Interest Groups
- State
- Unions

The trends we see in our regulators are:

- Air Pollution Control District (APCD)
  - ✓ New Green House Gas regulations
  - ✓ New unfunded mandates – details unknown at this time
  - ✓ Our representatives will need to be more vigilant
  
- California Regional Water Quality Control Board (CRWQCB)
  - ✓ Invading local control
  - ✓ Inflexible
  - ✓ Increased requirements; SWMP, Basin Plan
  - ✓ Political staff
  - ✓ Affecting individual property owners
  - ✓ Our representatives will need to be more vigilant
  
- Citizens
  - ✓ Interested and continue to monitor what we are doing
  - ✓ Fiscally concerned
  - ✓ Expectations exceed current abilities
  - ✓ Position becoming more polarized
  - ✓ Unwilling to pay for services
  - ✓ Web provides more info
  
- County
  - ✓ Try to exercise a lot of control
  - ✓ More responsive
  - ✓ CalTrans getting more expensive
  - ✓ Services are getting expensive
  - ✓ Management structure in flux
  - ✓ More liberal
  - ✓ More concerned about environmental issues
  - ✓ Reducing institutional knowledge
  - ✓ Hungry for funds
  
- Federal
  - ✓ More local contact
  - ✓ Slow to release funds
  - ✓ Few actual Federal dollars available for Atascadero
  - ✓ Difficult working relationships
  - ✓ Congressman is accessible

- San Luis Obispo Council of Government (SLOCOG)
  - ✓ Increased influence on funding and policy
  - ✓ Politically complicated
  - ✓ Increasing influence on regional planning
  - ✓ Growing
  - ✓ More rules on funding
  - ✓ Reduced funding
  - ✓ Our representatives will need to be more vigilant
  
- Special Interest Groups
  - ✓ Numbers are increasing
  - ✓ Vocal
  - ✓ Using technology
  
- State
  - ✓ More audits
  - ✓ Promised support of cities – no show
  - ✓ Budget crisis for the foreseeable future
  - ✓ Large threat to local revenues
  - ✓ More unfunded mandates
  
- Unions
  - ✓ Varied in communication with their employees
  - ✓ More concerned about where we spend our money
  - ✓ More concerned about fairness
  - ✓ More concerned about staffing

## **Who are our resource providers?**

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Resource providers are those persons, groups or agencies that provide the City with capital, personnel, equipment, expertise or other support to assist the organization in fulfilling its mission. Resource providers to the City include the following:

- Businesses
- Cal Poly
- Cal Trans
- Chamber of Commerce
- Colleagues
- Consultants
- Contract City Attorney
- County
- Cuesta College
- Employees
- Federal
- Media
- Nonprofits (includes Service Groups)
- Other Cities
- Professional Organizations
- School District
- State
- Utilities
- Vendors
- Volunteers

The trends we see in our resource providers are:

- Businesses
  - ✓ Some businesses closing
  - ✓ Having problems getting tenants
  - ✓ More optimistic about downtown
  - ✓ Sales tax down
- Cal Poly
  - ✓ Provides interns
  - ✓ Potential Americorp opportunity
- Cal Trans
  - ✓ Difficult to work with
  - ✓ Slow processes
- Chamber of Commerce
  - ✓ Greater partnership
  - ✓ Improved relations
  - ✓ More active with City
  - ✓ More organized
- Colleagues
  - ✓ More open to share
  - ✓ More tradeoffs
  - ✓ New or less experienced group
- Consultants
  - ✓ Hungry
  - ✓ Expensive
  - ✓ City has increased dependency due to reduced staffing
- Contract City Attorney
  - ✓ Reliable
  - ✓ Responsive
  - ✓ Thorough
  - ✓ Assertive
  - ✓ Provides variety of staff
- County
  - ✓ Financially tight
  - ✓ Turf
  - ✓ Reduced services
  - ✓ More North County political leverage

- Cuesta College
  - ✓ Financial decline
  - ✓ Reducing classes
  - ✓ Small business center is closed
  
- Employees
  - ✓ Maximizing skills
  - ✓ Seek more information and training
  - ✓ Get more involved in the organization
  - ✓ Good initiative
  - ✓ Retirements are affecting institutional knowledge
  
- Federal
  - ✓ Less cooperative
  - ✓ Less money
  - ✓ Deficit is a threat
  - ✓ More grants - tied to collaboration
  - ✓ Non-funded mandates
  - ✓ Continue with jobs
  - ✓ COPS programs
  
- Media
  - ✓ Need information
  - ✓ Willing to talk
  - ✓ We need to use more as a resource
  - ✓ Increased listeners on radio
  - ✓ Frequent turnovers
  - ✓ Newspaper industry in decline
  - ✓ Internet news and blogs increased
  
- Nonprofits
  - ✓ Membership is declining
  - ✓ Older members
  - ✓ Could do a lot
  - ✓ Lack of coordination
  - ✓ Minimal resources provided to City
  - ✓ Looking for funding
  
- Other Cities
  - ✓ Cooperative
  - ✓ Informal
  - ✓ When competing – full on
  - ✓ Paso turf issues
  - ✓ Less stability
  - ✓ A lot of turnover - so not as strong of a resource

- Professional Organizations
  - ✓ Better
  - ✓ Stronger
  - ✓ More sophisticated
  - ✓ Better computer connects
  - ✓ Trying to survive
  - ✓ Increased alternatives to conferences
  
- School District
  - ✓ Budget crisis
  - ✓ Limited resources
  - ✓ Good relationship with City
  
- State
  - ✓ Less money
  - ✓ Assistance shrinkage
  - ✓ Good resources to Fire Department
  - ✓ Not sympathetic to cities
  - ✓ Continued financial instability
  - ✓ Budget problems
  
- Utilities
  - ✓ More programs
  - ✓ Increasing partnerships
  - ✓ High interest in conservations
  
- Vendors
  - ✓ Hungry
  
- Volunteers
  - ✓ Expanded use into non-traditional areas
  - ✓ More volunteers
  - ✓ More needs for recognition
  - ✓ Higher skill levels
  - ✓ Higher regulations for training and liability

## **Who are our competitors?**

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Competitors are those groups or agencies that provide similar services to those provided by the City or compete with them for resources. Competitors with the City include the following:

- County
- Other Cities
- Private Sector
- Special Districts
- State

The trends we see in our competitors are:

- County
  - ✓ Have more money
  - ✓ Better pay
  - ✓ Very bureaucratic
  
- Other Cities
  - ✓ Similar financial condition
  - ✓ Paso is aggressive
  - ✓ Broader revenue base
  - ✓ Receive Atascadero's sales tax leakage
  
- Private Sector
  - ✓ Leaner
  - ✓ Salesmanship
  - ✓ Change with times
  - ✓ Recreation and meeting facility services
  
- Special Districts
  - ✓ Minimal competition
  
- State
  - ✓ Competing for employees
  - ✓ Competing for road dollars
  - ✓ Taking local revenues