

**Minutes
Huntington Beach City Council
Special Meeting – Strategic Planning Workshop**

Friday, January 23, 2015
8:30 PM – Talbert Room
Huntington Central Library
7111 Talbert Street
Huntington Beach, California 92648

CALL TO ORDER – 8:30 AM

ROLL CALL

Present: Posey, O'Connell, Katapodis, Hardy, Sullivan, Delgleize, Peterson
Absent: None

PLEDGE OF ALLEGIANCE

ANNOUNCEMENT OF SUPPLEMENTAL COMMUNICATIONS (Received After Agenda Distribution)

Pursuant to the Brown "Open Meetings" Act, City Clerk Joan Flynn announced supplemental communications received by the City Clerk's Office following distribution of the Council agenda packet:

A PowerPoint communication submitted by Finance Director Lori Ann Farrell entitled Strategic Planning Session Budget Update.

PUBLIC COMMENTS PERTAINING TO SPECIAL MEETING (3 Minute Time Limit)

Maureen Lawson discussed having two City websites and the confusion she thinks that may cause, she discussed Googeling her name and finding her public comments available online through a Google search. She felt the public should be informed that their names will be made public. She also indicated she comes to the meeting to speak and to hear Council handle legislative issues, and not for the lengthy presentations. She suggested they be moved to the study session portion of the meeting. She then spoke about the culture downtown.

Ralph Bauer spoke on behalf of the Huntington Beach Homeless Collaborative and handed out an 11-page document which included the Collaborative's agenda, a report, a list of Homeless Providers in Huntington Beach, ideas for identification, referral, intake and counseling of the homeless, as well as housing, transportation, storage of personal goods, health care and emplacement ideas. He discussed his military role and spoke about the difficulty veterans have re-acclimating to the home front and then relayed that there are quite a few veterans who are homeless in Huntington Beach.

ADMINISTRATIVE ITEM

- 1. Strategic Planning Session by facilitator Marilyn Snider of Snider and Associates**
 - A. Discussion on the Purpose of Strategic Planning Session and the Role of those in attendance**
 - B. Welcome and introductions of Facilitator and Recorder, Mayor, Council, Elected Officials, City Manager, Assistant City Manager and Department Heads**

C. Review of the City of Huntington Beach's

1. Mission/Purpose Statement: *The City of Huntington Beach provides sustainable quality services to maintain and enhance our safe and vibrant community.*
2. Core Values/Guiding Principles (not in priority order)
 - Responsiveness
 - Accountability
 - Quality customer service
 - Honesty and integrity
 - Teamwork
 - Fiscal sustainability
 - *Community involvement*
 - *Openness*
3. Existing Three-Year Goals (2012-2015) (not in priority order)
 - Improve the City's infrastructure
 - Enhance economic development
 - Improve long-term financial sustainability
 - Develop, retain and attract quality staff
 - Enhance and maintain public safety
 - Enhance quality of life

D. S.W.O.T. Analysis

1. Brainstormed a listing of strengths and accomplishments of the City since the previous Strategic Planning Session (1/31/2014):
 - Created a Workplace Literacy Program
 - Partnered with ACCOC (Association of California Cities Orange County) for bringing Learning to Work Staff Development Program
 - First city in the country to repeal the Plastic Bag Ban
 - Maintained 99% customer satisfaction in the Fire Department
 - Completed zoning approval of Edinger Hotel
 - Reestablished City lifeguard services at Sunset Beach
 - Started evaluating the effectiveness of the Beach and Edinger Corridors Specific Plan
 - City started addressing homelessness
 - Addressing the Council inequity in pay and benefits
 - Adopted the Mills Act Program for historic preservation
 - Attained a AAA Credit Rating
 - Won the National Mayors' Challenge for Water Conservation from the Wyland Foundation
 - Adopted senior residential district on senior mobile home parks
 - Completed the IS Master Technology Plan
 - Vans Skate Park had its grand opening
 - Continued to develop a plan for Bartlett Park
 - Successful US Open of Surfing
 - Regained Fire Department's Class I rating
 - Awarded a \$1 million grant for street rehabilitation
 - Celebrated 30 years of library literacy

- Started police-mounted horse unit
- Enhanced social outreach to the community
- Started construction on Pacific City retail and adjoining Pasea Hotel
- Balanced the budget
- Transitioned marine safety to the Fire Department
- Library's story time designated the best in Orange County the last three years
- A calmer US Open
- Negotiated successful MOUs with seven of eight labor associations
- Finalized Economic Development Strategic Plan
- Approved long-range Property Management Plan
- Won the Ranger Lift Station lawsuit
- Created a pop-up library called the Book Shack
- Started General Plan update process
- Received clean audit opinion
- Updated the City's Water Conservation and Water Supply Shortage Program
- Enhanced services through grants and corporate sponsorships
- Successfully closed three illicit massage parlors
- City successfully lobbied to regain local control of massage establishments
- Prevailed on the latest appeal on the Senior Center litigation
- Measure T was adopted allowing the sale of "safe and sane fireworks"
- Successfully issued a \$15 million bond for the construction of the Senior Center
- Reinstated Staff Recognition and Service awards
- Successfully upgraded the City's financial software system
- Four new Council Members and City Attorney elected in 2014
- Received a Golden Hub Innovation Award for our plans to reduce unfunded liabilities
- Upgraded pay stations at beach parking lots
- Technology enhancements to improve emergency response
- Started conversion of City street lights to LED
- Expansion of Surf City Nights
- New online recreation class registration
- Completed major technology upgrade in the Police Department
- Grant funded new play equipment at Newland and Harbour View Parks
- Increased the number of staff in areas that were deficient
- Successfully shut down two of three medical marijuana dispensaries
- Delivered 96,000 meals to frail seniors
- Sold \$740,000 worth of beach parking passes
- Updated City Emergency Operation Plan and received City Council approval
- Finally taking on downtown drinking problem
- Acquired Office of Emergency Services fire engine
- New agreement with Abercrombie for over \$100,000 a year
- Library implemented Radio Frequency Identify program to streamline checkouts
- Library circulated over 900,000 items a year for three years in a row
- Initiated Park and Recreation Master Plan
- Prepayment of PERS obligation thus reducing future payments
- Overall crime reduction in 2014
- Started construction of a new Senior Center
- Received a \$3.775 million donation from Hoag Hospital for senior services

- Maintained the City's approximately \$180 million investment portfolio with no losses while earning a market rate of return throughout economic and budgetary cycles.
2. Brainstorming of City's current Internal weaknesses/challenges:
- Long-term impacts of high-density developments
 - Lack of organization in the City Attorney's Office
 - Low quality of service
 - Slow response from City Attorney's Office
 - Increase in violent crime
 - Lack of police officer staffing
 - Increased demands on staff with limited resources
 - Slow response times from Police Department
 - Failure to deal with human trafficking
 - Lack of resources in the Police Department
 - Outdated automated processes in some areas
 - Lack of good customer service for residents at the Planning Department
 - Lack of transparency
 - Our Management Team is pretty new – lack of succession planning
 - Lack of opportunity for public input in General Plan
 - No one has done a long-term study of the impact of high development on services (cost)
 - Lack of public education opportunities about what the City does and its processes
 - Employee resistance to change
 - "We've always done it this way" attitude
 - Vacant essential fire and marine safety positions
 - Lack of resources dealing with drugs
 - Public says there is a lack of listening to their voice/concerns
 - Non-public safety employees feel their concerns are not taken as seriously as public safety employees
 - Lack of reliable Wi-Fi choice for connectability
 - Low staff morale due to work load
 - Inadequate staffing levels
 - Lack of transportation options
 - Outdated job classifications
 - Lack of funding for infrastructure
 - Lack of representation on external agencies
 - Demand for increased compensation and unfunded liabilities
3. Brainstorming of external factors/trends (positive/opportunities and negative/threats) that will/might have an impact on the City in the coming year:
- Positive
- A Republican president in 2016
 - A new president in 2016
 - Tourism increasing
 - Increased opportunities for volunteers with the new Senior Center
 - More business if it's easier to do business in the City
 - Increased grant funding attached to housing
 - Increased grant funding for the City
 - Stable stock market

- New mobile technology
- Improved signage for downtown areas
- Increased collaboration with community partners
- Return of plastic bags by the state government
- Lower energy costs
- Infusion of federal funds for infrastructure and transportation costs
- The creation of our Interpretive Center in Harriett Weider Park
- Increased community participation through electronic forms
- Opening of Keystone Pipeline
- Gas prices under \$2/gallon
- Increased volunteerism and engagement
- Possible protection for net neutrality (e.g., Open Internet access is protected; Internet providers will not be able to scale speed by website and restrict usage)
- Widening of the 405 freeway
- Rainbow Environmental
- Toyota Motor Corp.
- New broadband initiatives
- Continued improved economy
- Pacific City grand opening
- Hiring more police officers, fire and City staff
- Balanced state budget
- Private-public partnerships for senior housing in the community
- Innovative ideas for different modes of transportation
- Increased public involvement
- Increased quality of life
- Possible new transitional housing
- Citizens' efforts to deal with the homeless problem
- Hoag Hospital
- RJ Mayer Corporation
- Chamber of Commerce
- BIDS (Business Improvement Districts)
- Five generations in the workplace
- Aging populations
- Cooperation with school districts
- Formation of police and community foundation
- Legalization of marijuana (tax benefits)

Negative

- Increased crime
- Recession
- Cyber terrorism
- Substance abuse in the community
- Effects of Proposition 47 (reducing penalties for crimes)
- Decreased quality of life
- Demands on the City from the public
- Unfunded mandates from State and Federal governments
- Increased loss of local control
- High-speed rail fiasco
- Drought

- Lack of state environmental reform
- Increasing construction costs
- Increased staffing costs
- State raiding local funds
- Ocean View School District budget issues
- Effects of AB109 (early release of prisoners)
- New state water regulations
- State Department of Finance
- New Federal/State regulation on local police
- CALPERS low return on investment
- Increased number of rehab and sober living homes
- Five generations in the workplace
- Aging population
- Reduced federal funding of CDBG
- Ease of access to drugs
- Potential legalization of marijuana
- Lack of protection for net neutrality
- Unfunded gas tax to upgrade our roads
- Increasing PERS costs
- Multi-generational housing
- Protection of Delta smelt
- Recreational marijuana
- Acts of God: earthquake, etc.
- Terrorism

E. City Budget Update by Lori Ann Farrell, Director of Finance

Finance Director Lori Ann Farrell presented a PowerPoint entitled *Strategic Planning Session Budget Update* that included the following titled slides: Overview, FY 2013/14 Year-End Performance (Preliminary/Unaudited), FY 2013/14 General Fund Expenditures (Preliminary Unaudited), FY 2013/14 General Fund Revenue (Preliminary Unaudited), FY 2013/14 General Fund Fund Balance Recommendations, FY 2013/14 General Fund Year-End Fund Balance Options, General Fund Balance, FY 2014/15 General Fund Budget Overview, FY 2014/15 Adopted Budget General Fund by Department, Highlights – Personnel Costs, FY 08/19 to FY 14/15 Personnel Costs and FTEs, Unfunded Liabilities Update, Unfunded Liabilities Overview, Pension Funded Status – Safety Plan, Contribution Rate History – Safety, CalPERS Unfunded Liability, Future CalPERS Employer Rate Increases* All Funds, Investment Return Scenarios – Safety, Accomplishments, Police Officer Staffing, Recap of Police Officer Funding, Police Officer Staffing, Governor Brown's FY 2015/16 Budget Highlights – \$164.7 Billion, Recap, Questions?

F. Reviewed and revised the three-year goals (Staff brainstormed a list of three-year goals that the City of Huntington Beach needs to accomplish. The final list consisted of:

- Pay down unfunded liabilities
- Increase police staffing
- Improve quality of life
- Eradicate human trafficking
- Enhance Planning and Building Department services
- Eliminate unnecessary and antiquated City laws

- Improve City technology and resources
- Increase broadband Internet availability within the City for businesses and individuals
- Increase infrastructure
- Foster an economically sustainable city
- Strengthen long-term financial sustainability
- Enhance and maintain public safety
- Attract and retain businesses aggressively
- Increase visibility of Huntington Beach as a tourist destination
- Enhance the attractiveness of downtown
- Increase Huntington Beach's involvement in outside agencies
- Enhance public involvement and engagement
- Improve and enhance transportation options

Then the list above was incorporated in four stated three-year goals (2015-2018) consisting of the following (not in priority order):

1. Improve quality of life
2. Enhance and maintain infrastructure
3. Strengthen economic and financial sustainability
4. Enhance and maintain public safety

****Lunch was held at 12:20 PM – the meeting reconvened at 1:00 PM****

G. Identification of six-month strategic objectives for each of the three-year goals above

IMPROVE QUALITY OF LIFE		
WHEN	WHO	WHAT
1. March 1, 2015 and monthly thereafter	Mayor, working with the City Manager	Schedule and hold department presentations at City Council meetings regarding community engagement.
2. May 1, 2015	City Manager and Assistant City Manager	Hold a study session on Bolsa Chica annexation to get direction from the City Council on whether or not to proceed with annexation.
3. May 15, 2015	The Finance Director and Human Resources Director, working with the City Manager and Department Heads	Analyze the impact of current staffing levels (all departments) on service delivery and present findings with recommendations to the City Council for direction.
4. July 1, 2015	Community Services Director (lead) and Public Works Director	Develop and present to the Community Services Commission a plan to collaborate with the community on volunteer projects at Bartlett Park.

ENHANCE AND MAINTAIN INFRASTRUCTURE		
WHEN	WHO	WHAT
1. Monthly	Public Works Director	Provide updates to the City Council on the status of construction of the new Senior Center.
2. June 15, 2015	Public Works Director	Provide to the City Council the results of a needs assessment of the City's streets, sidewalks and right-of-way infrastructure.
3. July 1, 2015	Public Works Director and the Information Services Director	Develop a Plan, including resources needed if any, and present to the City Manager to implement an Internet-based map to inform the public on City construction projects and maintenance schedules.
4. July 1, 2015	Public Works Director	Present to the City Manager the results of a needs assessment of the City's storm drain infrastructure.
5. July 1, 2015	Public Works Director	Perform a City Facilities needs assessment and present the results to the City Manager.
6. July 15, 2015	Library Director, working with the Information Services Director	Determine the timeline and plan for participation in the statewide CENIC (Corporation for Education Network Initiatives in California) broadband initiatives for public libraries.
STRENGTHEN ECONOMIC AND FINANCIAL SUSTAINABILITY		
WHEN	WHO	WHAT
1. At the February 2, 2015 City Council Study Session	Planning and Building Director	Develop and present to the City Council for direction short- and long-term amendments to the Beach and Edinger Corridor Specific Plan.
2. At the February 2, 2015 City Council Study Session	Public Works Director	Present to the City Council for direction a traffic impact overview of the Beach and Edinger Corridors.

3. April 1, 2015	Planning and Building Director, Finance Director and the City Attorney (lead)	Evaluate legalizing and regulating vacation rentals and make a recommendation to the City Council for direction.
4. April 1, 2015	Assistant City Manager	Establish a Mayor and City Council Member(s) and Business Executive roundtable with the Chamber of Commerce to retain, attract and grow businesses in Huntington Beach.
5. June 1, 2015	Public Works Director	Explore the feasibility of increasing the refuse franchise fee and provide options to the City Council for direction.
6. At a June 2015 City Council Study Session	City Manager	Present options to the City Council for direction plans to reuse/redevelop Rodgers Senior Center land and facility.
7. July 1, 2015	Assistant City Manager	Seek additional Federal, State and County grants and partnerships and present the results to the City Manager.
8. July 1, 2015	Assistant City Manager and the Information Services Director, working with a consultant	Assess our current Wi-Fi, broadband and fiber optic opportunities to attract additional businesses and report the results to the City Council.
9. July 1, 2015	Finance Director	Develop and present to the City Council for action, plans to accelerate improving the funded status of the City's Retirement and Workers' Compensation Plans.
10. July 1, 2015	City Manager and Finance Director	Develop a Plan and present to the City Council for action to maintain the City's AAA credit rating.
11. July 1, 2015	Deputy Director of the Office of Business Development, working with "Visit Huntington Beach" (the marketing and visitors bureau)	Recommend options to the City Council for action for enhancing revenue from tourism.

ENHANCE AND MAINTAIN PUBLIC SAFETY		
WHEN	WHO	WHAT
1. May 1, 2015	Assistant City Manager with input from the Police Chief and Fire Chief	Review all frozen/unfunded essential public safety positions and report the results, including funding options, to the City Manager for consideration in the Fiscal Year 2015/2016 budget.
2. May 1, 2015	Fire Chief	Develop and recommend to the City Manager a proposal for a consultant to develop a "Standards of Cover" for the Fire Department.
3. June 1, 2015	Police Chief and City Manager	Present to the City Council for action a plan to mitigate the negative impacts of Prop. 47 and AB109.
4. July 15, 2015	Police Chief	Develop and present to the City Manager a long-term Police Facilities Plan to accommodate Police Department training, operational needs and community engagement.
5. July 15, 2015	Police Chief and Fire Chief	Present a plan to the City Manager for implementing alternative service delivery models to enhance public safety services.

H. Next steps/follow up process:

WHEN	WHO	WHAT
Monday, January 26, 2015	City Manager	Distribute the retreat record to attendees; place the City's Strengths, Goals and Objectives on the City website.
Within 48 hours	All recipients	Read the retreat record.
January 27, 2015	Management Team (City Manager- lead)	Review the "Weaknesses/Challenges" and "External Threats" lists for possible action items.

By February 6, 2015	Department Heads	Share and discuss the Strategic Plan with staff.
At the February 17, 2015 City Council meeting	City Council (Mayor – lead)	Present the updated Strategic Plan to the public.
Monthly	Management Team City Council City Manager (Mayor – lead)	Monitor progress on the goals and objectives and revise objectives (add, amend and/or delete), as needed.
Monthly	City Manager	Prepare and distribute the updated Strategic Plan Monitoring Matrix and post on the City's website.
July 13, 2015 8:00/8:30 am – 3:30 pm	Mayor City Council City Manager Management Team	Strategic Planning Retreat to: - more thoroughly assess progress on the Goals and Strategic Objectives for the next five months - identify 12-month Strategic Objectives

I. Summary/closing remarks:

Mayor Hardy thanked Marilyn Snider, Facilitator with Snider and Associates, Kara Tsuboi, Recorder, members of the City Council and City staff and especially the public for participating in this strategic planning workshop.

COUNCILMEMBER COMMENTS (Not Agendized) – None.

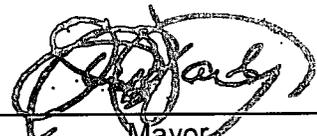
ADJOURNMENT – 2:40 PM

The next regularly scheduled meeting of the Huntington Beach City Council/Public Financing Authority is **Monday, February 2, 2014, at 4:00 PM** in Room B-8, Civic Center, 2000 Main Street, Huntington Beach, California.


 City Clerk and ex-officio Clerk of the City Council of the City of Huntington Beach

ATTEST:

 City Clerk


 Mayor