

**Minutes
Special Meeting
City Council/Redevelopment Agency
City of Huntington Beach**

Friday, July 31, 2009
8:30 AM – Rooms C&D
Huntington Central Library
7111 Talbert Avenue
Huntington Beach, California 92648

**An audio recording of the Public Comments portion of this meeting
is on file in the Office of the City Clerk.**

CALL TO ORDER

The meeting was called to order by Mayor Bohr at 8:30 a.m.

ROLL CALL

Present: Carchio, Dwyer, Green, Bohr, Coerper, Hardy (arrived 8:33), and Hansen
Absent: None

ANNOUNCEMENT OF LATE COMMUNICATION – None.

COMMUNICATION DISTRIBUTED AT THE MEETING

Communication submitted by Bob Wingenroth, Director of Finance, undated and entitled *Strategic Planning Session Draft Financial Plan Information Mid-Range Revenue Compared to Low-Range Expenditures*.

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

Greg Griffin, President, Sunset Beach Community Association, voiced concerns related to LAFCO's decision to place Sunset Beach under the sphere of influence of Huntington Beach, and the Sunset Beach Sanitary District being dissolved. He discussed opinions declared at a July 22 town hall meeting, and results of a poll taken of Sunset Beach residents resulting in 100% being opposed to annexation, but if necessary, the majority of residents preferring to be annexed by Seal Beach. He also announced that a second meeting will be held on September 3rd.

Councilmember Hansen expanded on the municipal services the residents of Sunset Beach will receive with annexation. Mr. Griffin discussed wanting the least amount of change, and requested that hard data identifying significant impacts to residents be produced.

Councilmember Coerper described the quality of public safety and water services provided by the City of Huntington Beach.

Ken Fisher, Huntington Beach resident, voiced concerns regarding LAFCO's decision to place Sunset Beach under the sphere of influence of Huntington Beach. He asked if economic

studies had been produced that would consider how adding 1200 residents would burden Huntington Beach resources, especially during tough economic times. He also voiced concerns about City residents being subject to a 5% utility tax increase, and the added expense of beach maintenance and lifeguard services. He voiced disappointment with the lack of public outreach provided by Huntington Beach to seek input from its own residents on this issue.

Ted Gover, Huntington Beach resident, voiced concerns regarding LAFCO's decision to place Sunset Beach under the sphere of influence of Huntington Beach. He discussed not being aware of studies published on the impacts of annexation to Huntington Beach, and shared concerns about the City's loss of certain State funds. He stated his opinion that annexation is premature until hard data is produced, and requested that no action be taken at this time.

(City Council) – Meeting to review and update the Strategic Goals of the City Council.

Facilitator Marilyn Snider, of Snider and Associates introduced Graphic Recorder Gail Tsuboi of Tsuboi Design. Facilitator Snider requested self-introductions of the staff and Council present at the meeting.

Facilitator Snider took the group through a review of the Mission/Purpose Statement and Three-Year Goals (2009-12). The exercise resulted in the following:

Mission Statement: The City of Huntington Beach provides sustainable quality services to maintain and enhance our safe and vibrant community.

Three-Year Goals for 2009-2012, not in priority order:

- Maintain our financial reserves
- Maintain, improve and obtain funding for public improvements
- Maintain public safety
- Enhance economic development
- Improve internal and external communication

A review of the City accomplishments since the previous Strategic Planning session of January 30, 2009 was conducted, along with a current SWOT (Strengths, Weaknesses, Opportunities and Threats) analysis. Finance Director Bob Wingenroth distributed a two page document entitled Draft Financial Plan Information. Below are the results of the brainstorming activity:

Accomplishments of the City of Huntington Beach Since the January 30, 2009 Strategic Planning Retreat (brainstormed list of perceptions):

- Survived without layoffs
- Held a Town Hall meeting
- US Open held here
- Had a Pier Swim
- Opened The Strand
- Hired the new Finance Director
- Charter Review Committee
- Opening of Shore Break Hotel
- Launched the Pipeline Communication System website
- Completed the MVB (Marketing & Visitors' Bureau) kiosk

- Approved three replacement buildings at the pier
- Named the "Most Friendly Dog City" in the US
- Launched an innovative joint venture with Sharp Industries in solar energy
- Solidified our commitment to the US military
- Removed the Levitz roof sign
- Launched Surf City Savings
- Received grant funding of \$150,000 for restrooms at Central Park
- Preserved the senior center in litigation
- Approved an OPA for Pierside Pavilion
- Approved a First Time Home Buyers Program
- Approved the lease for the Search and Rescue Explorers
- Will receive a \$19,500 state library grant for online homework assistance and tutoring
- Completed one Surf City U and one Development Services customer service training
- Maintained our liquidity and we're not issuing IOUs
- Shopping Center Blight Study done
- Presenting a Long-Term Financial Plan
- Continued progress on the Beach-Edinger Corridor Specific Plan
- Completed the installation of entry monuments
- Completed and got adopted the User Fee Study
- Updated our Newsrack Ordinance
- Approved the Huntington Yacht Club 30-year lease
- Redesigned the payments website
- Developed comprehensive affordable housing guidelines
- Accelerated the RDA debt payments to the city
- Approved a market rate street sweeping contract
- Completed an Internal Development Services survey and action plan
- Completed a Public Safety Facilities Need Assessment
- Successful Centennial celebrations
- Successful special events (e.g., 4th of July parade and fireworks)
- Balanced budget
- Successful summer reading program – approx. 5800 participants (300 teens, 500 adults, 5000 kids)
- Completed the Downtown Image Committee process
- Made progress on the Downtown Specific Plan
- Brought in successful businesses (e.g., Trader Joe's, Sprouts, Kohl's)
- Johnny Rockets came in
- Outreach business visitors by mayor and staff
- Opened a new bathroom next to Zack's at the beach
- Completed the redesign of the library's website and launched it
- Edison Park Master Plan approved
- Launched ebill for our utility statements
- Soon will have a seismically-safe City Hall
- Study session on financial reserves with good input from the Council; a Reserve Plan was started
- Continued progress on the Circulation Element
- Completed feasibility study of an Underground Utility Assessment District
- Reviewed and restructured boards and commissions

- Started retro-commissioning of public buildings
- Approved Phase I of the Beach Atlanta Shopping Center
- Completed submittals for Stimulus money; we're approved for \$1.7 million

Current Internal Weaknesses/Challenges of the City of Huntington Beach (brainstormed list of perceptions):

- Lack of liability reserves
- Hiring freeze
- Reduced customer service due to the budget
- Lack of funding for legal services
- No funds for capital projects
- Lack of funding for facility and infrastructure maintenance
- Lack of effective safety programs to reduce Workers' Comp claims and costs
- Lack of resources to attain goals
- Lack of resources for appropriate employee training
- Unfunded, unfilled positions make it hard to get work done
- Lack of resources for library materials and equipment
- Future employee costs, based on long-term contracts
- Inadequate funding to support financial needs
- Increased employee uncertainty
- Problems with beach bathrooms
- Lack of consistent goals and priorities between departments regarding development projects
- Retrofit challenges
- Problems with Newland widening
- Low employee morale
- Bargaining group challenges
- Problems with curbs and gutters
- Concerns regarding outsourcing
- Unwillingness to accept change as an opportunity
- Problems with traffic signal timing
- Spending a lot of time reducing the budget
- Lack of funding for technology
- Cost to businesses doing business in Huntington Beach is too high

External Factors/Trends that Will/Might have a Positive Impact on the City of Huntington Beach in the Coming Year (brainstormed list of perceptions):

- State may not steal as much as anticipated
- Economic Stimulus funds
- Regional municipal mergers
- Increased volunteerism
- Good weather
- Great waves
- Community college courses
- Vendors gave up \$175,000 to the City to help defray costs
- Development projects moving forward
- Property tax valuations are up by 0.67%
- Staycations – more people coming to the beach

- Sunset Beach annexation
- Surf City Savings
- Good press
- Positive communication from residents (due to the Pipeline)
- LAFCO's sphere of influence
- Hyatt's water park
- Cash for Clunkers
- State and federal grants

External Factors/Trends that Will/Might have a Negative Impact on the City of Huntington Beach in the Coming Year (brainstormed list of perceptions):

- State budget deficit
- PERS rates
- Decline in the economy
- Bargaining unit negotiations
- Bad press
- Annexation of Sunset Beach
- Increased litigation
- Higher fuel prices
- Drought
- Increased foreclosures
- Increased need for services
- Strain on social services
- Resistance to change
- Increase in business bankruptcies
- Closing businesses
- State service reductions
- Stressed people – everybody is stressed
- Earthquake and other natural disasters
- Stock market decline
- Weather – an El Nino year?
- Drop in tourism
- Getting bogged down in bureaucracy
- Increase in/higher taxes
- Higher unemployment
- Reduced investment in Huntington Beach by developers
- Lack of financing for developers
- Swine (H1N1) Flu
- Tight credit market; hard to get loans
- Unknown factors
- Closing schools
- Lower collection rates from taxpayers
- Increase in fees to cities

A brainstormed list of values was solicited from which the City's Core Values would be developed. This listing included:

Core Values:

- Volunteerism
- Openness
- Responsiveness
- Caring
- Accountability
- Fairness
- Community mindedness
- Quality customer service
- Efficiency
- Accessible government
- Commitment to excellence
- Fiduciary responsibility
- Community involvement
- Technological adaptability
- Employee-friendliness
- Dedicated
- Dog-friendliness
- Integrity
- Honesty
- Transparency
- Ethical behavior
- Being compassionate
- Friendliness
- Eco-friendly
- Being an All-American city
- Community safety
- Community pride
- Being business-friendly
- Teamwork
- Fiscal sustainability
- An active and healthy lifestyle
- Patriotism
- Tourism
- Family-friendliness
- Inclusiveness
- Strong communication

After reviewing the list, the group condensed the list to 8 core values which are listed in random order:

Core Values Listing – The City of Huntington Beach Values:

- Responsiveness
- Accountability
- Quality customer service
- Honesty and Integrity
- Teamwork

- Fiscal sustainability
- Community involvement
- Openness

Facilitator Snider led the group in the identification of the next six-month strategic objectives concentrating on how the goals will be addressed – date, accountable individual(s), and specific/measurable results for each. The following is the results of that exercise.

Huntington Beach Six-Month Strategic Objectives – July 31, 2009 through January 15, 2010:

THREE-YEAR GOAL: MAINTAIN OUR FINANCIAL RESERVES

WHEN	WHO	WHAT
1. At the Aug. 17, 2009 City Council meeting	City Administrator and Finance Director	Present to the City Council for action a revised reserve policy.
2. At the Sept. 8, 2009 City Council meeting	Finance Director	Present to the City Council an updated Long-Term Financial Plan and its components.
3. Jan. 15, 2010	Finance Director and City Administrator	Conduct a City Council study session on PERS rates and their implications.
4. At the Feb. 1, 2010 City Council study session and quarterly thereafter	Finance Director	Present to the City Council quarterly financial updates.

THREE-YEAR GOAL: MAINTAIN, IMPROVE AND OBTAIN FUNDING FOR PUBLIC IMPROVEMENTS

WHEN	WHO	WHAT
1. Sept. 1, 2009	Director of Public Works and Planning Director	Conduct an EIR scoping meeting for the Circulation Element of the General Plan.

2. Oct. 1, 2009	City Administrator and Dep. City Administrator	Report to the City Council on the status of the Senior Center.
3. Oct. 1, 2009	Director of Public Works, working with the Army Corps of Engineers and the Ferguson Group	Identify funding opportunities of the WRDA grant for the Heil Pump Station.
4. At the Nov. 16, 2009 City Council meeting	Director of Public Works	Present to the City Council for consideration an evaluation of the process and required procedures to transfer ownership of block walls to property owners.
5. Dec. 15, 2009	Dep. City Administrator	Identify cost neutral funding for Green projects and present to the community's Sustainability Committee.

THREE-YEAR GOAL: MAINTAIN PUBLIC SAFETY

WHEN	WHO	WHAT
1. Sept. 30, 2009	Fire Chief	Present to the City Council for consideration a plan, including costs and funding sources, to relocate Station 8 (Heil) to the city- owned site at Graham/Production.
2. At the Nov. 2, 2009 City Council meeting	Police Chief, working with the Fire Chief and the Marine Safety Chief	Present to the City Council for information a plan to maintain public safety considering current budget constraints and personnel vacancies.
3. Jan. 15, 2010	Police Chief	Present to the City Council for action a funding strategy to support construction of a police training facility.

4. Jan. 15, 2010	Community Services Dir.	Develop a funding strategy to support acquisition of needed equipment to maintain beach safety and present to the City Council for action.
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THREE-YEAR GOAL: ENHANCE ECONOMIC DEVELOPMENT

WHEN	WHO	WHAT
1. Sept. 15, 2009	Economic Development Dir.	Commence negotiations of an Owner Participation Agreement (OPA) with developer DJM for Phase II of Bella Terra.
2. At the Oct. 19, 2009 City Council meeting	Economic Development Dir.	Propose to the City Council for action the hiring of a consultant to amend the merged project area to include previously identified blighted shopping centers.
3. At the Oct. 19, 2009 City Council meeting	Economic Development Dir., with input from the Council's Economic Development Committee	Present to the City Council for direction proposed developers for a hotel in north Huntington Beach.
4. At the Nov. 2, 2009 City Council meeting	Planning Director and Economic Development Dir.	Present to the City Council for action an amended Downtown Specific Plan and an amended Parking Master Plan.
5. Dec. 15, 2009	Deputy City Administrator	Publish and distribute to the City Council standards for accelerated services to expedite development from the Development Departments.

6. Jan. 15, 2010	Planning Director and Economic Development Dir.	Complete the Beach-Edinger Corridor Specific Plan/EIR and hold at least one public hearing.
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THREE-YEAR GOAL: IMPROVE INTERNAL AND EXTERNAL COMMUNICATION

WHEN	WHO	WHAT
1. Oct. 31, 2009	City Administrator and Finance Director	Present orally an overview of the 2009-2010 budget and financial forecast to all employees.
2. Dec. 1, 2009	Mayor	Host and conduct at least one town hall meeting to provide information about the city and obtain feedback from the public.
3. Jan. 15, 2010	IS Director – lead, HR Dir., Dep. City Administrator	Conduct and present to the Executive Team a review of community requests from the Surf City Pipeline.

Facilitator Snider and the Council and Executive Team agreed on the Next Steps/Follow-Up Process which had benchmark dates as noted below:

NEXT STEPS/FOLLOW-UP PROCESS

WHEN	WHO	WHAT
By Wed., August 5	All recipients	Read the retreat record.
August 11, 2009	Executive Team (City Administrator– lead)	Review the “Internal Weaknesses/Challenges” list for possible action items.
By August 15, 2009	Department Heads	Share and discuss the Strategic Plan with staff.

At the August 17, 2009 City Council meeting	City Council (Mayor – lead)	Present the 2009-2012 Strategic Plan to the public.
Monthly	City Council City Administrator (Mayor – lead)	Monitor progress on the goals and objectives and revise objectives (add, amend and/or delete), as needed.
Monthly	City Administrator	Prepare and distribute the updated Strategic Plan Monitoring Matrix
January 29, 2010 (Friday) 8:00/8:30 am – 4:00 pm	Mayor City Council City Administrator Executive Team	Strategic Planning Retreat to: - more thoroughly assess progress on the Goals and Strategic Objectives - develop a Vision Statement for the city - develop Strategic Objectives for the next six months

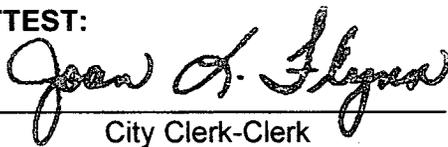
The date of the next strategic plan retreat was set on Friday, January 29, 2010, 8:30 a.m. – 4:00 p.m. at which time the members would thoroughly assess progress on the goals and strategic objectives, develop a vision statement for the city and strategic objectives for the next 6 months.

ADJOURNMENT at 1:54 the Council/Agency adjourned to the next regular meeting of Monday, August 3, 2009 at 4:00 PM at the Huntington Beach Civic Center, 2000 Main Street, Huntington Beach, California.



City Clerk and ex-officio Clerk of the City
 Council of the City of Huntington Beach
 and Clerk of the Redevelopment Agency
 of the City of Huntington Beach, California

ATTEST:



City Clerk-Clerk



Mayor-Chair