


Staff Report

City of Manhattan Beach

TO: Honorable Mayor Tell and Members of the City Council

FROM:  David N. Carmany, City Manager

DATE: March 6, 2012

SUBJECT: Strategic Plan Update

RECOMMENDATION:

Staff respectfully recommends that the City Council receive and file this report

FISCAL IMPLICATION:

There is no fiscal impact associated with this recommendation.

BACKGROUND:

The City Council and Department Heads participated in an all-day retreat held on Friday, January 20, 2012. The goal of this retreat was the development of a unified City of Manhattan Beach Strategic Plan, and part of that being the identification of three-year strategic goals. On January 31, 2012, the City Council met to review items from the previously approved work plan, evaluate which items align to the identified strategic goals, and resolve to incorporate those items into the Strategic Plan.

The result of these two meetings, the mission statement, and the three-year strategic goals are included in this report. The City Council will receive monthly updates to the Strategic Plan Monitoring Matrix in order to measure progress on the goals and objectives, and to allow for the revision of those objectives (add, amend, and/or delete), as needed.

The City Council also scheduled the next strategic planning retreat to follow in six months. It is to evaluate progress on the goals and strategic objectives, identify core values for the City, and to develop objectives for the following six-month period. This meeting is scheduled for Wednesday, July 11, 2012, 8:00 am to 4:00 pm.

DISCUSSION:

There are differences between a work plan and a strategic plan. A work plan is task focused. A strategic plan is focused on clarifying the overall purpose and priorities of the organization.

Ideally, a work plan outlines all tasks necessary to complete an entire venture. This involves identifying, planning, and executing the steps necessary to achieve a particular result. It serves as an operational tool that could ultimately include management's layout for each team member and the tasks assigned to that individual towards overall project achievement.

A strategic plan focuses more on critical issues and defines an organization's strategies, decisions, or guiding direction in allocating resources to position the organization for success. This larger view allows the organization to focus on issues of change, adaptation, and innovation. The City engaged Marilyn Snider, of Snider and Associates, to facilitate the new strategic planning process.

Strategic Planning

“Strategic Planning: A Guide for Public Managers” published by the International City/County Management Association in August 2002 has been used as a resource to identify elements and processes associated with development of the Strategic Plan and much of the following comes from that document.

The purpose of public sector strategic planning is to establish long-term goals, annual objectives and detailed actions/strategies that address issues related to performance, productivity, community and personal well-being and required statutory services. The focus must be on identifying the most critical issues affecting the community and on seeking the most effective and efficient means to address them.

Care must be taken to differentiate between a true planning issue and action or task. The tendency is to state issues as solutions rather than true issue statements. An example of the former is “The department needs more police cars to meet community needs.” An example of the latter is “Crime has increased 12% since 2009.” A natural tendency is to focus on activities or solutions and not on ultimate outcomes or achievements related to an organization mission or to focus on solutions when writing issues/challenges or problem statements or to write goals and objectives as action statements. Participants should be cognizant of this tendency and avoid it.

Here are some of the most prominent reasons for less than desirable outcome in the strategic planning process:

- Unclear mission
- Mission unrelated to current issues
- Failure to raise key organizational issues
- Lack of focus on goals and objectives
- Unquantified objectives

Some benefits of strategic planning include:

- Accelerate an agency’s ability to solve identified issues and challenges
- Encourage creativity and innovation
- Ensure a more efficient use of resources
- Develop a greater degree of cooperation and collaboration
- Serve as a basis for evaluating employee and program performance
- Tie the budget to program performance
- Serve as the basis for funding requests and the allocation process

There are particular elements in the framework of a strategic plan. A properly crafted strategic plan offers a clear road map for continuous improvement; presents the organization’s mission, vision, and operating philosophy, and; provides quantified goals and objectives against which to measure personal and program progress, performance and success.

Each organizational unit or department needs to:

- Create a short and stand-alone strategic plan for its department
- Identify external issues - External issues relate to the mission of the specific organizational elements or answer the question “Why does this department exist?”
- Identify internal issues - Internal issues require an examination of the department itself for internal problems and concerns.
- Focus on improvement and productivity – The point of strategic planning is to bring significant measurable improvements to local management of identified issues, both internal and external
- Measure improvement in clear, quantifiable outputs and outcomes – Everything can and should be measured
- Resist including operational activities – A strategic plan is not an operational plan. An operational plan lays out how strategic goals and objectives will be accomplished.

The elements of a strategic plan include:

- Mission – Why do you exist? What do you do?
- Vision – A practical statement about the future and the organization’s role in it
- Operational Philosophy or Values – Describes a group of employees and the organization in the employees’ own words; it is often based on a set of adjectives that the team feels best describes them and their group.
- Significant issues and challenges – Internal issues are problems or challenges within the organization that affect efficiency, productivity, harmony or overall effectiveness and thus affect performance. External issues are the problems or negative situations in the community that relate to a particular mission. Tangible issues concern people, facilities, equipment, funding and anything that can be counted, inventoried, bought, sold, procured or repaired. Intangible issues are those related to morale, attitude, trust, loyalty, public opinion, image, communication cooperation, collaboration, leadership, commitment, initiative, creativity and overall culture.
- Long Term Goals – A goal is generally measurable and you will know if have achieved it if asked in the future. You must be able to quantify its success or failure. A goal is not an action or activity but an outcome that relates to the mission and to at least one issue. An objective is very quantifiable and includes numbers or percentages to help evaluate its success in the next fiscal year. It represents incremental progress toward a goal.

The strategic plan and the annual budget are linked. Fiscal resources must be allocated to accomplish the goals developed in the strategic plan. The strategic plan is the blueprint for change and performance; the budget is the engine that drives and energizes that change and performance. Requests for funding must always relate to actions, which in turn relate back to both goals and objectives. This is what ties the plan to the budget. Budgets should be based on strategic plans, not the other way around. The idea is to plan first, then develop the budget to gain the greatest value.

CONCLUSION:

Understanding the terms, process, and goals of successful strategic plan development will facilitate the development of a functional strategic plan for the City of Manhattan Beach.

Attachments: City of Manhattan Beach Strategic Plan

C I T Y O F M A N H A T T A N B E A C H

STRATEGIC PLANNING RETREAT

20 January 2012 • Police/Fire Conference Room

Marilyn Snider, Facilitator – Snider and Associates (510) 531-2904
Gail Tsuboi, Graphic Recorder – Tsuboi Design (925) 376-9151

MISSION STATEMENT

The City of Manhattan Beach is dedicated to providing exemplary municipal services,
preserving our small beach town character and enhancing the quality of life
for our residents, businesses and visitors

THREE-YEAR GOALS

2012-2015 * not in priority order

- ▶ Maintain and enhance financial stability
- ▶ Increase organizational effectiveness and efficiency
- ▶ Maintain and enhance city facilities, programs and the infrastructure
- ▶ Encourage engagement and increase participation of residents and businesses

NEXT STEPS/FOLLOW-UP PROCESS

WHEN	WHO	WHAT
Monday, January 23	Admin. Assistant to the City Manager	Distribute the retreat record to those unable to attend.
Within 48 hours of receipt	All recipients	Read the retreat record.
January 25, 2012	Department Heads (City Manager – lead)	<ul style="list-style-type: none"> - Review the “Current Internal Weaknesses/Challenges” list for possible action items. - Review the 2011-2012 Work Plan to recommend to the City Council what items need to go forward in the Strategic Plan
January 31, 2012	City Council City Manager	Review the 2011-2012 Work Plan to determine what goes forward as part of the Strategic Plan.
By February 3, 2012	Department Heads	Share and discuss the Strategic Plan with staff.
At the February 7, 2012 City Council meeting	City Council (Mayor – lead)	Present the Strategic Plan to the public.
Monthly	City Council City Manager	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
July 11, 2012 8:00/8:30 am – 4:00 pm	City Council City Manager Department Heads	Strategic Planning Retreat to: <ul style="list-style-type: none"> - more thoroughly assess progress on the Goals and Strategic Objectives. - identify Core Values for the city - develop objectives for the next six months.

S.W.O.T. ANALYSIS

Strengths – Weaknesses - Opportunities - Threats

STRENGTHS AND ACCOMPLISHMENTS OF THE CITY OF MANHATTAN BEACH IN 2011

Brainstormed List of Perceptions

- Continued financial strength
- Multi-year solid waste contract
- Finalized library plans
- Strong new hires
- New leadership: a new city manager, police chief, fire chief and city attorney all in one year
- Kicked off our City Centennial
- Tackling less glamorous infrastructure needs, e.g., water, sewer
- Surf Festival
- Pier-to-Pier Walk
- Chevron Bike Race
- Focus on and dedication to the environment
- We secured a national conference to be held here which will bring us national recognition
- Joslyn Facility renovation
- Vibrant downtown
- Partnership with the schools, e.g., we fund crossing guards
- Oversize Vehicle Ordinance
- Tradition of excellent customer service
- Well-maintained fleet of emergency vehicles
- Good Police and Fire response
- First Class Plus Police and Fire Departments
- Successfully activated the Emergency Operations Center for a full scale exercise as well as for a real event
- Parking meters are bagged during the holidays
- Continued clean audit
- Accessibility to inform
- Well prepared for disasters (i.e., disaster preparedness, community emergency response team)
- Completed the Sand Dune Park regulations
- Employees here are uniquely solution oriented
- Dedicated employees
- We have engaged, educated community members who are interested in the community
- Initiated a number of open government initiatives
- First class community events
- Fireworks in December
- Pumpkin Races in October
- Hometown Fair in October for the last 35 years
- Summer concerts
- 2011 was our 33rd year of concerts in the park
- Manhattan Marathon 10K for 35 years
- Located by the beach
- Bike Plan
- Vitality Cities Program (e.g. walking and biking more)
- We passed ordinances, e.g., plastic bags, no smoking, tattoo parlors, leaf blowers
- Our fiscal policies will move us forward in the next three years
- We're able to buy equipment, e.g., police motorcycles

- Our resources enable us to attract and retain good employees
- Were an attractive employer - we didn't furlough or cut benefits
- An active and caring City Council
- We have a Work Plan
- We have a Facilities Strategic Plan

CURRENT INTERNAL WEAKNESSES/CHALLENGES OF THE CITY OF MANHATTAN BEACH

Brainstormed List of Perceptions

- Lack maintenance of an aging infrastructure
- Too much paper
- Unfunded infrastructure
- Lack cooperation with labor groups
- Responding to the few, instead of the many
- Staff transition
- Perception that the city is hiding things
- Council micromanagement
- Perception of misinformation
- Lack of funds and political will to replace facilities and infrastructure
- Culture of fiscal prudence at the expense of quality of life
- Leadership - the Council is out of touch, focusing on extraneous expenses at a time of financial challenges
- Lack of Council courage to take a position and move forward
- Unclear roles and responsibilities
- Always in crisis mode
- Unrealistic Work Plan expectations
- Lack formal processes
- Resistance to change
- Extremely challenging and stressful agenda process; too last minute
- Being reactive, not proactive
- Lack a Strategic Plan
- Council passes too many "nanny laws"
- Council meetings take too long
- Don't have long-term labor contracts
- Lack institutional memory due to changes in personnel
- Low employee morale
- Focus on the short term
- Inexperienced risk management
- Not enough internal communication
- Inability to engage more people in the process
- Lack of succession planning
- Perception that we go overboard to validate decisions
- Perception that we're not accomplishing anything
- Council-commission relationship is confusing
- Communication breakdowns between Council and commissions
- Have not actually engaged the population in long-term planning
- Have not defined 'quality of life'
- Residents are concerned about traffic, parking, affordable housing
- Perception that we are not looking at what we can do for the residents
- Not looking far enough out, beyond three years
- Lack of fluency with technology
- Challenge keeping up with new technology

EXTERNAL FACTORS/TRENDS THAT WILL/MIGHT HAVE A POSITIVE IMPACT ON THE CITY OF MANHATTAN BEACH IN THE NEXT THREE YEARS

Brainstormed List of Perceptions

- Engaged, educated community members
- Remarkable education system
- County participation in building the new library
- Location on the beach
- Resilient local economy
- Resilient local businesses
- Real pension reform
- Proximity to large cities, business centers, economy
- Increased movie production
- Community volunteers
- Good employees available to recruit because other cities are laying them off or cutting benefits, furloughing
- Resurgence in new home construction
- Stability in property values
- Manhattan Beach perceived as a desirable place to live, work and play
- Because of the national political climate, people will look locally for solutions
- Obama being reelected
- Governor Brown leaving
- Wealthy, educated population
- Our position of strength in the face of others' negative positions
- Increase in our property values
- We're a very safe community
- Due to the recent economy, the public's expectations are lowered

EXTERNAL FACTORS/TRENDS THAT WILL/MIGHT HAVE A NEGATIVE IMPACT ON THE CITY OF MANYHATTAN BEACH IN THE NEXT THREE YEARS

Brainstormed List of Perceptions

- Aging infrastructure
- Governor Brown's state raids on local government funds
- Uncertainty of not knowing the extent of the raids on local funds by the state
- Redevelopment Agency demise; there will be a trickle down effect
- Increasing medical costs
- Increasing labor costs
- Increasing pension costs
- Risk that the economy gets worse
- Legislation that will impact how we run our city
- Improved economy (city may not have enough staff to deal with increased demand)
- Global warming
- New residents desiring changes that long term residents don't want
- Unfunded mandates
- Earthquakes and other natural disasters
- External lawsuits
- Aging population
- A number of new regulations that are imposed on us
- Loss of major businesses
- Unknowns regarding stability and relocation in the aerospace industry
- Loss of the Air Force base
- Sea level rise
- Environmental change
- New residents have higher service expectations

- Demographic divide: old vs. new
- Long term residents not wanting change
- Cyclical drought



IDENTIFY THREE-YEAR GOALS

Brainstormed list of possible goals from which the 2012-2015 Three-Year Goals were developed

- Enhance financial stability
- Promote our accomplishments
- Address unfunded infrastructure needs
- Provide effective and efficient internal processes
- Prepare residents for inevitable natural disasters
- Promote open and transparent city government
- Attract more sales tax-generating businesses
- Promote informed and constructive community engagement
- Integrate environmental priorities in day-to-day municipal activities
- Enhance the quality of life through active programs
- Do not overreact to public criticism
- Promote voter participation and engagement
- Improve inter-governmental relations
- Provide for/create effective community engagement
- Open the new city library
- Address the needs of our employees while ensuring long-term financial stability
- Streamline the agenda process
- Address quality of life issues for internal stakeholders
- Address needs of senior citizens
- Increase the education of Council members
- Maintain and increase regional participation and attract more conferences and meetings
- Reduce City Council meeting length
- Emphasize Commission Handbook
- Reinstate the annual commission dinner
- Provide internal training on local government fundamentals
- Upgrade facilities to current needs and standards
- Reduce the number of Work Plan items
- Update the Work Plan semiannually
- Prepare and implement a Master Plan for Parks and Trees
- Finalize labor contracts
- Improve communication
- Dedicate dollars to new community buildings
- Develop and implement a comprehensive, integrated transportation plan
- Provide cost-effective delivery of all services
- Reduce the amount of paper
- Promote e-government
- Improve risk management
- Develop and implement a Succession Plan
- Provide exemplary municipal services
- Preserve our small beach town character
- Enhance the quality of life in Manhattan Beach

STRATEGIC PLANNING ELEMENTS

Marilyn Snider, Strategic Planning Facilitator * Snider and Associates (510) 531-2904

"SWOT" ANALYSIS

Assess the organization's:

- Internal Strengths - Internal Weaknesses
- External Opportunities - External Threats

MISSION/PURPOSE STATEMENT

States WHY the organization exists and WHOM it serves

VISION STATEMENT

A vivid, descriptive image of the future— what the organization will BECOME

CORE VALUES

What the organization values, recognizes and rewards— strongly held beliefs that are freely chosen, publicly affirmed, and acted upon with consistency and repetition

THREE YEAR GOALS

WHAT the organization needs to accomplish (consistent with the Mission and moving the organization towards its Vision) - usually limited to 4 or 5 key areas

KEY PERFORMANCE MEASURES

What success will look like upon achievement of the goal

SIX MONTH STRATEGIC OBJECTIVES

HOW the Goals will be addressed: By when, who is accountable to do what for each of the Goals

FOLLOW-UP PROCESS

Regular, timely monitoring of progress on the goals and objectives; includes setting new objectives every six months

CITY OF MANHATTAN BEACH
SIX-MONTH STRATEGIC OBJECTIVES
 20 January 2012 through 1 July 2012

GOAL A
MAINTAIN AND ENHANCE FINANCIAL STABILITY

WHEN	WHO	WHAT	STATUS			COMMENTS
			DONE	ON TARGET	REVISED	
A1. March 31, 2012	City Council (Mayor Nick Tell – lead)	Define who is on the Labor Negotiating Team with each of the three labor groups and develop the objectives for moving forward to manage and/or stabilize labor costs.				
A2. April 1, 2012	City Manager and Director of Finance	Identify additional sources for financing ongoing and future capital projects, including a general fund & storm water/street lighting revenue enhancement study, and present a report to the City Council Finance Subcommittee for direction.		X		To be identified through the fiscal year 2012-2013 budget process
A3. May 1, 2012	City Manager and Director of Finance, with input from the City Council	Review operating departments for potential economies and efficiencies and make recommendations to the City Council for action to enable a balanced budget.		X		To be identified through the fiscal year 2012-2013 budget process. Results to be included in proposed budget presented on May 15, 2012.
A4. July 1, 2012	Director of Finance, working with the City Council Finance Subcommittee	Evaluate the cost savings that could be achieved by refinancing outstanding debt and present the results to the City Council.		X		The Finance Director discussed the opportunities with the City's Financial Advisor on February 27 and identified three debt issues suitable for refinancing: Police/Fire, Metlox and the Water-Wastewater bonds. Present Value savings range from \$400,000 to \$1.65 million. The analysis will be discussed with Finance Subcommittee and then presented to the full City Council.

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FUTURE OBJECTIVE	Director of Community Development	Update Sepulveda Corridor development guidelines, Zoning Code standards, and prepare Sepulveda economic development plan				
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GOAL B

INCREASE ORGANIZATIONAL EFFECTIVENESS AND EFFICIENCY

WHEN	WHO	WHAT	STATUS			COMMENTS
			DONE	ON TARGET	REVISED	
B1. April 1, 2012	HR Director, City Clerk and City Attorney	Identify and present to the City Manager for direction subject areas requiring standardized training for city employees, commissioners and Council members (e.g., "AB 123" training for commissioners, "How to draft an RFP" for staff) that could be presented internally.		X		In process
B2. May 1 2012	City Clerk and City Manager, in consultation with all Department Heads	Propose to the City Manager for action revisions to the process for preparing approving and posting City Council agenda item		X		Completed in conjunction with Granicus implementations by July 1, 2012
B3. July 1, 2012	HR Director	Poll all Department Heads regarding potential successors and provide the information to the City Manager for inclusion in the succession planning process.		X		In process of obtaining sample programs
B4.	City Council	Hold Joint Meetings with all City Boards and Commissions				
B5.	Director of Human Resources	Wellness Program				
B6.	Fire Chief	Study consolidation of South Bay Fire Departments				
FUTURE OBJECTIVE	Finance Director	Develop and present to the City Council for consideration a Three-Year Information Services/Technology Master Plan for inclusion in the FY 2012-2013 budget.				

FUTURE OBJECTIVE	Finance Dir., in consultation with all Department Heads	Survey comparable cities regarding available software to reduce the amount of paperwork needed and improve the delivery of services and present the results to the City Council.			
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GOAL C

MAINTAIN AND ENHANCE CITY FACILITIES, PROGRAMS AND THE INFRASTRUCTURE

WHEN	WHO	WHAT	STATUS			COMMENTS
			DONE	ON TARGET	REVISED	
C1. March 1, 2012	Parks and Recreation Director	Present to the City Council a process for obtaining positive and negative feedback from the community regarding current programs.		X		At the end of every class, registered activity, bus trip, playground program, and teen center program (approximately 16,000 annually), each participant is given a five question survey on their experience with the parks and recreation program. Staff will add two additional questions regarding possible new programs.
C2. April 1, 2012	Public Works Director	Present to the City Manager recommendations for the budget process for the percentage of infrastructure value (based on replacement) to be reserved for annual budget purposes in the areas of buildings, storm drains roads, sidewalks, water/sewer and non-motorized.	X			Discussed at the CJP Work Shop on February 28, 2012
C3. May 1, 2012	Community Development Director	Present to the City Council for action an RFP for a transportation consultant to be included in the FY 2012-2013 budget to prepare a Multi-Modal Transportation Plan as a part of updating the Circulation Element of the General Plan.		X	X	Included in FY 12-13 budget for Council consideration. RFP will be prepared if approved
C4.	Director of Public Works	Prepare Tree Master Plan for Public Property				
C5.	Director of Community Development	Analyze No Parking/Red Zone on Sepulveda Boulevard				

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GOAL D

ENCOURAGE ENGAGEMENT AND INCREASE PARTICIPATION OF RESIDENTS AND BUSINESSES **

WHEN	WHO	WHAT	STATUS			COMMENTS
			DONE	ON TARGET	REVISED	
D1. April 1, 2012	City Manager – lead, City Clerk, Finance Director, and the ad hoc City Council Open Government Subcommittee, with feedback from users	Analyze the current city website, research models of effective city websites including social media and make a report, with recommendations, to the Dept. Heads for feedback.		X		Ad Hoc Committee met on February 27th and discussed improvements to the website. Search engine functionality was discussed with staff reporting that capabilities have been enhanced that improves search results. A general refreshing of the website will commence in the short term. Further discussions on Social Media applications are planned for the next meeting.
D2. April 15, 2012	City Manager, with input from the City Council	Select a trainer and schedule and hold a City Council training/team building workshop on increasing engagement with each other and the public.				
D3. June 1, 2012	Each City Council Member	Hold one meeting in his/her elementary school area to get feedback and encourage public participation.				
D4.	Mayor Tell	Define objectives of Mayor's Wellness Initiative				

** This goal includes the advancement of the Open Government Initiatives (#1-18) as adopted by the City Council.

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ADDITIONAL COUNCIL PRIORITIES

WHEN	WHO	WHAT	STATUS			COMMENTS
			DONE	ON TARGET	REVISED	
	City Attorney	Provide Overview of Telecommunications Issues (Cell Towers) and Information Regarding Removal of Obsolete Satellite Dishes				
6 Months	City Attorney and Director of Community Development	Return to City Council with Best Practices from Other Cities on Dispute Resolution Strategies between Contractors and Residents, including Contractor bonds				
	City Council School District Subcommittee (Tell, Howorth)	School Partnership-Hold Joint Meeting with School District to define goals				
6 Months	Fire Chief	Emergency Planning-Provide City Council with more detail on increasing public engagement, partnering with schools and increasing outreach and information, enhance website		X		Developing priorities for emergency planning program. Will schedule time with CM to get parameters and direction.
	Director of Public Works	Provide Report to Council Regarding Review of Environmental Programs				
FUTURE OBJECTIVE	Director of Community Development and City Attorney	Prepare Zoning Ordinance Text Amendment defining Open Space				