



CITY OF MORRO BAY CITY COUNCIL Notice of Special Meeting

The City of Morro Bay provides essential public services and infrastructure to maintain a safe, clean and healthy place for residents and visitors to live, work and play.

Community Forum - City Goals & Objectives

Friday, March 1, 2019 at 4:00 p.m.

Veterans Memorial Hall

209 Surf Street, Morro Bay, CA

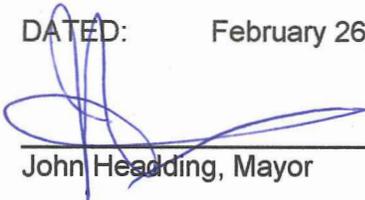
ESTABLISH QUORUM AND CALL TO ORDER

SPECIAL MEETING AGENDA:

- I. INTRODUCTION AND OVERVIEW OF CITY COUNCIL'S STRATEGIC PLANNING PROCESS
- II. STATUS UPDATE ON EXISTING GOALS & OBJECTIVES
- III. PUBLIC COMMENT - COMMUNITY INPUT ON GOALS & OBJECTIVES
- IV. COUNCIL DISCUSSION AND GENERAL DIRECTION FOR STAFF
- V. SUMMARY & NEXT STEPS

ADJOURNMENT

DATED: February 26, 2019



John Heading, Mayor

MATERIALS RELATED TO AN ITEM ON THIS AGENDA SUBMITTED TO THE CITY COUNCIL AFTER DISTRIBUTION OF THE AGENDA PACKET ARE AVAILABLE FOR PUBLIC INSPECTION AT CITY HALL LOCATED AT 595 HARBOR STREET; MORRO BAY LIBRARY LOCATED AT 625 HARBOR STREET; AND MILL'S COPY CENTER LOCATED AT 495 MORRO BAY BOULEVARD DURING NORMAL BUSINESS HOURS.

IN COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT, IF YOU NEED SPECIAL ASSISTANCE TO PARTICIPATE IN A CITY MEETING, PLEASE CONTACT THE CITY CLERK'S OFFICE AT LEAST 24 HOURS PRIOR TO THE MEETING TO INSURE THAT REASONABLE ARRANGEMENTS CAN BE MADE TO PROVIDE ACCESSIBILITY TO THE MEETING.

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AGENDA NO: I

MEETING DATE: March 1, 2019

Staff Report

TO: Honorable Mayor and City Council

DATE: February 26, 2019

FROM: Scott Collins, City Manager

SUBJECT: City Council Goals and Objectives Update

RECOMMENDATION

Staff recommends the City Council review this report and consider public input provided online and during the Community Forum when adopting City Council Goals and Objectives for 2019 and 2020, and provide direction to staff as appropriate.

ALTERNATIVES

None.

FISCAL IMPACT

There will be no immediate fiscal impact related to the recommendation.

BACKGROUND

City of Morro Bay Strategic Framework Policy and Community Outreach

City Council recently revised the Strategic Framework Policy (Resolution No. 83-18, attached), which sets out the process for how the City adopts its strategic goals and objectives. Every two years, following a general election, City Council is to review (and amend if appropriate) its high-level goals. The goals are intended to set the direction for the City for the next two years.

In order to ensure City goals relate back to the community's needs and desires, the policy dictates the City conduct outreach to the public to seek input in a variety of methods. Those methods include online survey(s), emails to City Council, community forums, City advisory boards and other means of collecting input from the community. To that end, in January 2019 the City launched a new online engagement tool, Polco, whereby members of the community can complete simple surveys about how they feel the City is doing and what it should focus on the next two years. In addition, the City is hosting the March 1, 2019, Community Forum to collect public input.

Following the Community Forum, City Council will work with staff to create a focused set of goals for the next two years which will inform the action items the City pursues during that period and budget decisions for FY2019/20 and FY2020/21.

Prepared By: SC

Dept Review: _____

City Manager Review: SC

City Attorney Review: _____

Progress on Current City Council Goals and Objectives

Prior to discussing the format and desired outcomes of the Community Forum, it is important to review the existing Council Goals and Objectives and provide a quick update on efforts to achieve them, as well as discuss what items have not been addressed or completed.

Current City Council Goals

The goals and objectives for calendar year 2018 were formally approved by City Council at the July 10, 2018, meeting. Those five goals continue Council priorities established in previous years with one added goal (number 5, below), and are as follows:

- 1) Achieve Economic and Fiscal Sustainability
- 2) Complete WRF Project and OneWater Program
- 3) Improve Infrastructure and Public Spaces
- 4) Review and Update Significant City Land Use Plans
- 5) Improve Communication to the Community

Progress on Current Goals

The City has made progress on many of the goals and related action items (Attachment #2). When combined with work completed in the previous quarters, the City has made progress in all five goals areas. The attached spreadsheet demonstrates completed action items (highlighted in green), items with significant progress completed to date (yellow highlighted items), and other items that may have some work completed to date and will be addressed in the latter part of the calendar year and into next year (no highlight).

Some of the key highlights on completed or nearly completed 2018 action items are as follows:

- Balanced FY 2018/19 Budget, with plans for further analysis and City employee and community outreach to discuss further measures to address CalPERS liability moving into the next budget year.
- Proposed local Cannabis Tax approved by voters in November 2018 ballot, and rate will be adopted by Council in February 2019.
- The City Council approved the partnership with the Chamber of Commerce to implement key components of the Morro Bay's Economic Development Strategic Roadmap, including, but not limited to, wayfinding and business outreach.
- The City has made significant progress on the Water Reclamation Facility (WRF) and completed the OneWater Plan. WRF progress includes certification of the Final Environmental Impact Review document, approval of the WRF surcharge, submittal of application for the Environmental Protection Agency's low-interest loan program (WIFIA), and design-build contract approved for the treatment facility, among other progress.
- Council approved the "Adopt Morro Bay" program, to help beautify the community. Staff is working to complete implementation of the program.
- Council approved the City joining Monterey Bay Community Power's Community Choice Energy program.
- Council adopted short-term and long-term financial stability plans, and other critical financial policies.
- Council approved a community benefits agreement with Castle Wind LLC for the potential offshore wind energy project.

The following items were identified as key action items for 2018, with work remaining. Unless Council provides a different direction, staff will prioritize the following items to ensure they are brought back to City Council in 2019:

- Work continues on the General Plan, Local Coastal Program and Zoning Code Update. Council will take up those critical Planning documents in 2019, as well as policy update for short term vacation rentals.
- Council approve process underway to review and develop lease site management/financial partnership policies for Council consideration.
- Citywide fee study and cost allocation plan nearing completion.
- Staff will review the existing Partnership policy (related to public events and renting City facilities), and review opportunities for improving consistency of implementing the policy and enhancements to the policy. Staff will bring forward an item for Council consideration sometime in 2019.
- The Aquarium lease site will be considered by City Council in early 2019.
- Staff will bring forward a discussion on parking options in 2019.
- City Council conducted a thorough review of the City's tourism efforts. Council directed staff to review options for including vacation rentals and RV Parks into the Tourism Business Improvement District. Additionally, the Council will reconsider the General Fund contribution to tourism currently defined by Resolution No. 03-16. That item will come back to Council in early 2019.

Items not addressed, which were Identified in 2018 Goal Setting Process

In addition to these items, there were several potential action items that were intentionally delayed by City Council given their relative priority and urgency compared to other higher priority items and available staff resources. Those items should be considered when adopting goals for the next two years. Those items are listed below:

- Market Street Plaza/Centennial Plaza redevelopment opportunity.
- Review potential partnership opportunities for key vacant sites, such as the Power Plant and old Morro Bay Elementary School.
- Potential street improvement/infrastructure improvement tax measure.
- Discussion on future use of the existing Wastewater Treatment Plant location.
- Code enforcement outreach on lower-priority issues (issues that are not safety or public health related.)
- Explore opportunities to protect important scenic, recreational, natural and agricultural resources on the Estero Marine Terminal site and surrounding lands

DISCUSSION

Desired Outcomes and Format of the Community Forum

The March 1, 2019 Community Forum, combined with the public input garnered through emails to City Council and the online survey (Polco), as well as input from City advisory boards, will help Council shape its goals and objectives for the next two years.

The Forum will be facilitated by Garret Olson, who assisted with the development of goals in 2018. During the Forum, staff will present a status report of the existing City Council Goals and related

action items (as outlined in the “Background” section of this report). The community will then be provided an opportunity to share their input about existing and potential new City Goals. Following public comment, staff will provide an overview of community input provided through emails to Council and the online survey. City Council will then deliberate on public input (collected through Forum and other methods) and provide direction to staff as appropriate.

Staff recommends that Council direct staff to bring back a summary of public input shared through the survey, City Advisory Boards and the Forum in March. That summary would help group input into themes. In support of that effort, staff further recommends that Council direct staff to conduct another online survey that gauges community opinion about their priorities related to the existing goals and newly identified potential City goals. That March City Council meeting (and others as needed) will be the opportunity for Council to refine and prioritize goals to be adopted ahead of the FY2019/20 Budget process.

Below is a summary of community input received to date on City goals.

Goals Input from Community Submitted through Online Survey and Council Emails

The City collected input from community members using the new online survey tool, Polco. To date, nearly 100 residents have responded to one or more of the survey questions related to City goals. The City asked a couple questions related to City goals, including their thoughts on the existing goals, and an open ended question about what the City should focus on for the next few years. Here is a summary of the responses received to the related goals question.

Polco Question #1

This question reviewed community members support for the existing City Council goals. Respondents were able to select as many of the responses as they felt were important.

Which of the following areas do you find important for the City of Morro Bay to work on in the next two years?



In response to this question, several members of the community also shared their thoughts on other ideas to consider for City goals and also their written thoughts on the existing goals (those comments are included in Attachment #3).

Polco Question #2

This was an open-ended question, designed to get community members thoughts about what the most important thing is to pursue in the next two years. The most popular responses identified by community members include the following:

- 1) continued work on the WRF program
- 2) financial sustainability
- 3) affordable housing
- 4) short-term vacation rental regulations
- 5) infrastructure improvements (water front, sidewalks, streets, etc.)
- 6) maintain small community feel
- 7) support businesses/economic development

Attachment #4 contains all the comments submitted in response to the open-ended question.

Community Input through Council Email

In addition, some members of the community provided input to City Council via email. Community members suggested maintaining the quality of life be a top City goal, pursue opportunities to expand broadband/high speed internet to the community, and improve public restrooms.

Goals Input from City Advisory Boards

City staff recently collected input from the City advisory boards and commissions that review City operations, to include the Harbor, Public Works, and Recreation and Parks boards. All other City advisory boards and commissions have either provided input about existing City efforts at other times and/or are conducting work to support City goals that require a continued investment of their time to review (i.e. Water Reclamation Facility and land use plans updating). Here is a quick summary of their recommendations and work:

Harbor Advisory Board (HAB)

The HAB provide the following input at their December 2018 meeting:

- 1) Long-term financial sustainability for the Harbor Department and infrastructure investments in the Embarcadero area.
- 2) Pursue paid parking in the Embarcadero area.
- 3) Continue work on the General Plan and Local Coastal Program updates, involve HAB in review.
- 4) Develop next steps for boatyard opportunity.
- 5) Code enforcement related to harbor area (boat/trailers, RV parking on streets)
- 6) Continue work on the Harbor Lease Management Policy update.
- 7) HAB to provide input and guidance to City Council on CCA's aquarium redevelopment proposal.
- 8) Harbor staff and HAB to provide input and guidance to City Council on any power plant

proposals

- 9) HAB to review and make recommendations to City Council on development proposals for old WWTP site relative to land use once the plant is moved. HAB said to keep and carry to 2019.
- 10) Continue work on eelgrass mitigation policy project.

Public Works Advisory Board (PWAB)

PWAB provided the following input at their February 2019 meeting:

- 1) Support the following Infrastructure improvements efforts:
 - Continue Pavement Management Plan
 - Continue with WRF and OneWater Projects
 - Maintain and Improve Cycling Infrastructure
 - Striping and signage
 - Enhance cycling safety
- 2) Improve Traffic Circulation to Promote Tourism and Revenue Generation
 - Enhance Circulation to Rock Access, ie Traffic at Embarcadero and Beach
 - Public Transportation
 - Pave Morro Rock public parking lot
 - Paid parking-revenue generation and for parking lot maintenance
- 3) Better Controls on Goals and Objectives
 - Create an implementation schedule, not just a list of aspirations.
 - Prioritize tasks
 - Identify cost per goal
 - Assess the impacts of volunteer organizations
- 4) Economic Development (related to infrastructure and utilities)
 - Continue to pursue offshore windfarm opportunity
 - Implement Community Choice Energy
 - Incentivize and advertise incentives for water conservation

Recreation and Parks Commission

- 1) Maintain and Improve Cycling Infrastructure
 - Striping and signage (particularly in high traffic areas and near schools)
 - Enhance cycling safety (particularly in high traffic areas and near schools)
- 2) Consider using non-potable water to irrigate City parks
- 3) Develop sports complex/increase number of sport courts (such as pickle ball courts)
- 4) Improve websites and have commissions work together/communicate

Tourism Business Improvement District (TBID) Board

The TBID reviewed and recommended approval of the Tourism Destination Strategic Plan, which will be reviewed by City Council at the February 26, 2019 Council meeting. The Strategic Plan should help inform City Council goals related to economic development and tourism. The TBID has also provided input (but no recommendations) on the discussion related to including short term vacation rental owners in the business improvement district.

Citizens Finance Advisory Committee (CFAC)

The CFAC provided recommendations to City Council regarding many financial policies and stability plans (short-term and long-term) and Council has incorporated those recommendations into the existing goals. Work continues on financial policies. In addition, the CFAC is also now reviewing the Water Reclamation Facility (WRF) program financial reports. The CFAC will be engaged in the FY19/20 Budget development process as well.

Water Reclamation Facility Citizens Advisory Committee (WRFCAC)

The WRFCAC will continue to review key technical components of the WRF program, including the injection well system.

Planning Commission

The Planning Commission will continue to focus its efforts on assisting the City in updating its long-term land use plans (General Plan, Local Coastal Program, Zoning Code) in 2019. Following that, it will also review and consider updates to the short-term vacation rental policies among other strategic efforts.

CONCLUSION

Updating the City Council goals is an important process to ensure that City goals link back to the current needs and desires of the community. The City has encouraged participation from community members in a variety of ways. The community forum on March 1, 2019, will help bring all the various points of public input together as Council begins its process of identifying priority goals and works with City staff to develop a two-year work plan to systematically achieve them through allocation of budget and staff resources.

ATTACHMENTS

1. Strategic Framework Policy
2. 2018 Goals and Objectives – Progress on Action Items
3. Community comments on Polco question number one
4. Community comments on Polco question number two

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RESOLUTION NO. 83-18

**RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF MORRO BAY, CALIFORNIA,
RESCINDING RESOLUTION NO. 72-15 AND
ESTABLISHING THE STRATEGIC PLANNING FRAMEWORK POLICY**

**THE CITY COUNCIL
City of Morro Bay, California**

WHEREAS, at the August 11, 2015, City of Morro Bay regular City Council meeting, the Council unanimously approved the Strategic Planning and Budgeting Framework concept presented and directed staff to develop a Strategic Planning Framework policy to be adopted at a future meeting; and

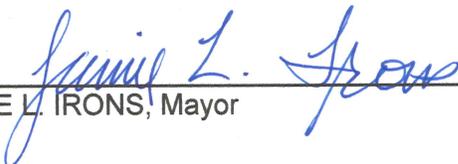
WHEREAS, in accordance with City Council direction, staff prepared a Strategic Planning Framework procedure, which was adopted by City Council via Resolution No. 72-15; and

WHEREAS, it is recommended that City Council revise the Strategic Planning Framework, to include a component for community outreach, to ensure broad public engagement in the development of the City's goals and objectives.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Morro Bay, hereby rescinds Resolution No. 72-15 and establishes the Strategic Planning Framework Policy as defined in the attached Exhibit A.

PASSED AND ADOPTED by the City Council of the City of Morro Bay, at a regular meeting thereof held on the 9th day of October 2018, by the following vote:

AYES: Irons, Davis, Headding, Makowetski, McPherson
NOES: None
ABSENT: None



JAMIE L. IRONS, Mayor

ATTEST:



DANA SWANSON, City Clerk



WHITE PAPER

Strategic Planning Framework

Revised October 9, 2018

I. PURPOSE

The purpose of this paper is to describe the City of Morro Bay Strategic Planning framework. This framework, to be adopted by the City Council, provides direction on annual, biennial and quadrennial planning and budgeting tasks and processes the City will follow.

II. OVERVIEW

The City has many plans, including a General Plan (GP), Local Coastal Plan (LCP), Economic Development Strategic Plan (EDSP - under development in 2015/16), Parking Management Plan and other particular plans. Those plans are essential to provide long-term guidance for the City. And, in particular, the GP/LCP provides strategic direction not only in land-use but in many other areas.

However, the City also needs a regular process to set more general goals, and to identify specific, measurable objectives to reach those goals. This process must also ensure those objectives are considered in the annual budgeting process.

This Strategic Planning Framework does that. In general, the City Council will set / refine broad goals every four years. Every two years the Council will identify specific objectives associated with each goal for staff to complete. Every year during the budget process, those objectives will be budgeted against.

In addition to this Strategic Planning Framework, the City is developing fresh Vision, Values and Mission statements that should inform all of our planning efforts, and goal / objective setting in particular.

III. DEFINITIONS

The following definitions are important to understand the City's Strategic Planning Process:

- **City Mission Statement** – The Mission Statement is a Council-approved statement that describes the basic / essential tasks the City must provide, and a statement toward the purpose of executing these tasks. The mission statement is focused on the purpose of the City Government, not the broader community. The City mission statement might begin something like: "The City of Morro Bay provides Public Safety, Recreation, and other key municipal services in order to"
- **Community Vision and Values Statements.** Community vision and values are also Council-approved, semi-permanent statements, developed with significant community

input, that describe what we want our community to be (Vision) and what ideals our community considers of essential importance (values).

- **City Core Tasks.** Core tasks are functions that we should always be doing well and they should be addressed in our City mission statement. A core task might be: “Maintain City Infrastructure”, or “Provide Public Safety”.
- **City Goals.** Goals are broad projects we want to accomplish over a long-term (4-6 year) period, usually because they are big enough and broad enough they can’t be accomplished in a year or two. An example of a goal is: “Improve Streets”.
- **City Objectives.** Biennial objectives are specific, discreet, medium-term (1-2 year) projects that support a more general goal, are feasible and achievable if appropriately resourced, and can be directly budgeted against. An example of an Objective related to the Goal “Improve Streets” could be: “Repave 10% of streets in FY16/17 and FY 17/18”.

IV. PROCESS

Following is a written description of the City’s Strategic Planning Framework depicted below in figure 1.

- The process begins in December of each election year with the seating of a new Council.
- The new Council begins a planning process to set biennial budget objectives for the upcoming two budget years.
- Following elections, the City will advertise in December upcoming community outreach and engagement opportunities.
- This objective-setting planning process normally occurs in January and February with two-year objectives set by the last Council meeting in February.
- In years following an election, in January through mid-February, staff will provide numerous opportunities for the community to engage in the process and to provide input in a number of ways, including community forum(s).
- In years following an election, City Council will host a public retreat in late-February/early March to review community input gathered through the outreach opportunities and develop goals (following Presidential elections as described below) and objectives (following a non-Presidential election). Council will formally adopt the goals/objectives typically by late March/early April.
- Council-approved objectives are then used by staff and Council to develop the annual budget in March – May of each year.
- Every four years (Presidential election years) the new Council also reviews and updates the City’s Goals. The City should work to ensure goals are items in which real improvement is needed and achievable. Generally, goals should not be “maintain,” but should be “improve.” Any new Council could, of course, resolve to deviate from this Strategic Planning Framework and modify City goals outside of the specified four-year window. However, for organizational efficiency and community stability, the City should strive to keep goals for at least four years, using biennial objective setting and annual budgeting to affect change and adjust priorities.



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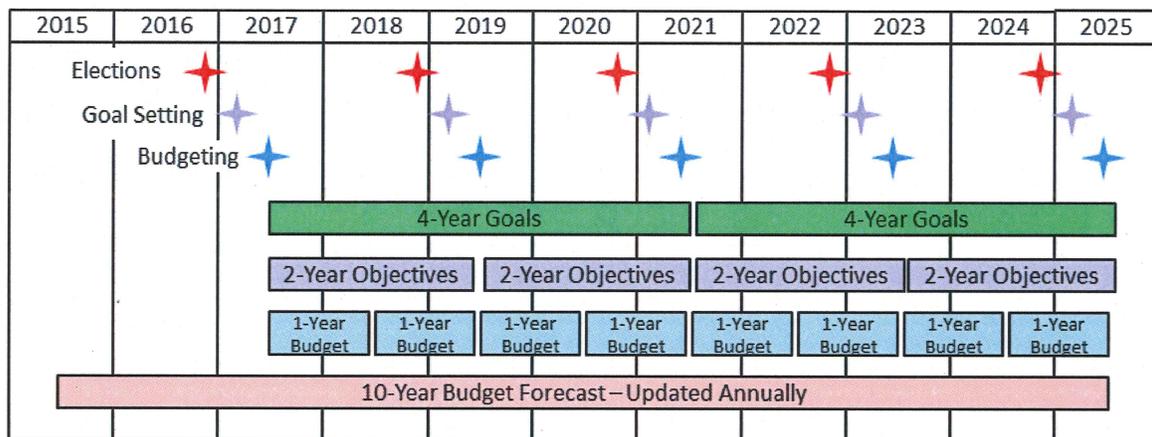
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- On a semi-annual basis, normally in the fall of each year, staff updates the Council on the status of the two-year budget objectives in an Annual Goals Update report and special Council Meeting.
- In March – May each year, the staff and Council develop a 1-year budget for the upcoming fiscal year: July 1 to June 30 of the following year. The two 1-year budgets every 2-year goal/objective period provide the Council ample opportunity to reallocate resources to achieve, or “weight” specific City Goals and Objectives.
- This entire process is underpinned and informed by a continuing 10-year budget forecast process that is updated annually in Jan – Feb. Every other year the 10-year forecast is updated by an external professional consultant. In the off years it is updated internally by staff.

**Transition Plan for the Morro Bay
Strategic Planning and Budgeting Framework**



- ★ Elections – Nov of even years, new Council seated in early January
- ★ Biennial Planning – Every other year in Jan and Feb Council updates 2-year objectives. every 4th year Council also updates 4-year goals.
- ★ Annual Budgeting – Every year in May and Jun Council updates approves a 1-year budget.

Overview. Beginning in December 2016 the City of Morro Bay executes a 4-2-1 Strategic Planning and Budgeting process.

- Following each election, the new council meets in Jan / Feb to establish 2-year objectives supporting each existing City Goal.
- Every four years this process begins in December and includes renewal of the City’s goals.
- The staff then uses the new objectives to inform creation of the City’s annual budget.
- The entire process is underpinned by a 10-year budget forecast that is professionally (externally) updated every other year and internally updated every year.

Figure 1 – Strategic Planning and Budgeting Framework

V. SUMMARY

This Strategic Planning and Budgeting Framework is intended to complement the City’s broader and more specific plans, including the General Plan, Local Coastal Plan, Economic Development Strategic Plan and other land-use and issue-specific plans.

The above mentioned plans coupled with this Goals and Objectives process should serve, taken as a whole, as the City's strategic plan. Following full implementation of the ongoing GP/LCP rewrites in 2017, and 10-year Economic Development Strategic Plan in 2016, the City could consider if an additional, formal, 10-year strategic plan is required.

City Council Goals and Objectives for 2018 - (Progress Update February 26, 2019)

Plate: These are the top priority objectives and action items for 2018, and constitute the main work plan for the City in Calendar Year 2018.

Goal #1: Financial Sustainability and Economic Sustainability					
Objective #1: Securing Financial Sustainability through a comprehensive review of costs reduction and revenue enhancement opportunities					
Item #	Action Items	Departments Involved	Lead Department	Anticipated Council Date/Completion	Current Status
a)	Develop a cost control and reduction plan to achieve cuts to maintain a structurally balanced budget, including, but not limited to a complete review of staffing levels and non-labor costs in all departments.	All	City Manager, Finance	Council approved balanced budget for FY 18/19. Will bring policies and plan to Council in pieces throughout 2018 and 2019.	Next step is reengage employee budget group, and conduct outreach to community, in support of FY19/20 Budget development.
b)	Develop a staff-internal emergency cost reduction plan to inform future fiscal emergencies.	All	City Manager, Finance	Council approved short-term and long-term fiscal sustainability plan in late 2018.	Complete.
c)	Consider for November 2018 ballot a Marijuana Tax with consideration for funding for the Utility Discount Program and other City needs.	City Manager, Public Works, Finance, City Attorney, Planning, Police, Fire	City Manager	Following Nov. 2018 ballot measure approval, Council will adopt rates in March 2019.	Complete. Council approved funding the Utility Discount Program through another source of revenue.
d)	Evaluate opportunities for new or expanded revenue sources, including but not limited to: paid parking, other tax measures and a review of City fees.	All	City Manager, Finance	The parking discussion will take place in the in the Fall 2018.	Some analysis complete on paid parking. No progress on other items.
Objective #2: Consider the proposed strategies in the Economic Development Strategic and Waterfront and Downtown Strategic Plans and act on those most likely to generate revenues in the near term.					
Item #	Action Items	Departments Involved	Lead Department	Anticipated Council Date/Completion	Current Status
a)	Bring to Council for information, consideration and possible implementation a review of circulation and parking management plans, wayfinding, and other options for the Waterfront and Downtown and other business districts.	Planning, Public Works, Harbor, City Manager, Finance, Tourism	Planning	Wayfinding will come to Council for approval in spring 2019. Parking item to come to Council later in 2019.	Some analysis complete on parking; the wayfinding plan will be developed with the Chamber of Commerce.
b)	Evaluate Memorandum of Understanding (MOU) with the Morro Bay Chamber of Commerce and other arrangements to further economic development objectives.	City Manager, Planning, Tourism, Harbor	City Manager	Council authorized the CM to enter into an agreement with the Chamber for these services in June 2018.	MB4 program launched in 2018.
c)	City Council review proposal to modernize the Morro Bay Aquarium Site structure and operations.	City Manager, Planning, Harbor, City Attorney	Harbor	Item will come to City Council in March 2019.	On-going meetings with new Aquarium CEO.
d)	Establish Financial Partnership policy, and Lease site evaluation/audits on a 3-year rotating basis.	Harbor, Planning, City Manager, Finance	Harbor	Item will come to City Council later in 2019.	Council approved ad hoc committee work on lease management policy updates.
e)	Offshore Windfarm opportunity/proposal development and review.	Harbor, Planning, City Manager	Harbor	Staff will provide updates to City Council.	City Council approved Community Benefits Agreement with Castle Wind.
Objective #3: Miscellaneous Action Items Related to Financial Sustainability and Economic Development					
Item #	Action Items	Departments Involved	Lead Department	Anticipated Council date/Completion	Current Status
a)	Overall evaluation of tourism, including Vacation Rentals & RV Parks Tourism Business Improvement District (TBID) Assessment options, ADR, overall tourism effort and effectiveness since the transition to the City, hotelier involvement, board functionality, and the annual financial report. Also include information on the partnership with Visit SLOCAL BID.	Tourism, City Manager	Tourism	City Council to review draft Tourism Strategic Plan in Feb. 2019. Will come back to Council later in 2019 with recommendations regarding Vacation Rentals and performance metrics.	City Council reviewed Tourism efforts in May 2018, as part of the budget process. TBID recommended approval of Strategic Plan in January 2019.
b)	Improve internal management of homeless related issues (how the City coordinates internally and with partners on homeless issues).	Police, Fire, Public Works, City Manager	Police	City Council to review grant opportunity in March 2019.	City Council declared a homeless emergency in Nov. 2018, and may pursue state funding for programs. Staff reviewing best practices in homeless management.
c)	Community Choice Energy feasibility study.	City Manager	City Manager	Council approved City participation in the Monterey Bay Community Power CCE program.	Council approved JPA, and staff is working on the CCE Implementation Plan. Morro Bay residents will be able to participate in the CCE beginning January 2020.

City Council Goals and Objectives for 2018 - (Progress Update February 26, 2019)

Goal #2: Water Reclamation Facility (WRF) and OneWater Review and Implementation

Objective #1: Water Reclamation Facility Project Review and Implementation

Item #	Action Items	Departments Involved	Lead Department	Anticipated Council date/Completion	Current Status
a)	Assign a budget for the WRF.	Finance, Public Works	Finance	Will provide Council with regular updates on the WRF budget.	Completed for FY18/19 Budget.
b)	Take appropriate selection action and bring to Council for approval, a contract for the design-build construction delivery of the new WRF.	Public Works	Public Works	Council approved the contract in 2018.	Completed in 2018.
c)	Following CEQA guidelines, bring the WRF Environmental Impact Report (EIR) to Council for approval and certification.	Public Works, Planning, City Attorney	Public Works	No further Council action required at this time.	Final EIR certified by City Council in August 2018.
d)	Complete water/sewer rate study and bring to Council for Prop 218 process consideration any rate increase requirements to fund the proposed WRF	Public Works, Finance, City Manager	Public Works/Finance	No further Council action required at this time.	Council approved the WRF surcharges in Sept. 2018 following the Prop. 218 process completion.
e)	Complete and submit the State Revolving Fund loan application with the State Water Control Board and Water Infrastructure Finance and Innovation Act (WIFIA) loan application with the U.S. Environmental Protection Agency (EPA) for the WRF project to secure subsidized loan financing for the project. Review and consider other state and federal funding.	Public Works	Public Works	No further Council action required at this time.	WIFIA loan submitted to the EPA in July 2018. Council approved submittal of application for SRF. SRF application will be submitted in October 2018. Following up with other agencies on grant opportunities.
f)	Complete the acquisition of the preferred site for the WRF project.	Public Works, Planning, City Attorney	Public Works	Will bring purchase agreement to Council later in 2019.	Staff seeking appraisal for the South Bay Blvd. preferred location.
g)	Review and update the Utility Discount Program and develop and implement a communication plan to increase public awareness of the water and sewer rate subsidization program for low-income individuals and families.	Public Works, Finance	Public Works	Staff directed to bring the item back for another consideration in July or August 2018.	Council adopted resolution for the Utility Discount Program at its June 13, 2018 Special meeting.
h)	Hire and onboard new Program Manager for the WRF project.	City Manager, Public Works	City Manager	Council to review the Program Management Budget sometime in Fall 2018.	City contracted with Carollo Engineers as Program Manager in April 2018.

Objective #2: OneWater Review and Implementation

Item #	Action Items	Departments Involved	Lead Department	Anticipated Council date/Completion	Current Status
a)	Bring to Council for consideration a "OneWater" plan for the City that considers all water resources – from storm water to groundwater to wastewater – as a single "water resource."	Public Works	Public Works	Council approved the OneWater Plan in late 2018.	Begin implementation in 2019.
b)	Engage business community and broader community in dialogue about water issues, including state water.	City Manager, Public Works, Tourism	Public Works	Will be an ongoing effort.	Water is part of broader outreach on the WRF project.

Goal #3: Public Infrastructure and Facility Maintenance and Improvement

Item #	Action Items	Departments Involved	Lead Department	Anticipated Council date/Completion	Current Status
a)	Inventory, evaluate and refresh existing programs for volunteer groups to assist in providing routine maintenance in the City, while soliciting and facilitating additional volunteer group support for routine maintenance and small capital projects.	Public Works, Harbor, City Manager, Recreation	Public Works	No further Council action required.	City Council approved the "Adopt Morro Bay" policy/program in June 2018. Staff is beginning implementation of the program.
b)	Complete the approved RFQ process for a marine services facility (boatyard) and bring to Council for information and consideration of next steps prior to any decision on feasibility study.	Harbor, Planning, City Manager, Public Works	Harbor	Council consideration of financial feasibility Request for Proposal (RFP) submittals in Fall/Winter 2018.	City Council approved Request for Proposal for financial feasibility study in August 2018.
c)	Council review of "Adopt a Thing" policy and staff implementation of the policy and creation of the program.	Public Works, Harbor, Recreation, City Manager	Public Works	No further Council action required.	City Council approved the "Adopt Morro Bay" policy in June 2018. Staff is beginning implementation of the program.

City Council Goals and Objectives for 2018 - (Progress Update February 26, 2019)

Goal #:4 Land Use Plans and Zoning Policies Updates					
Item #	Action Items	Departments Involved	Lead Department	Anticipated Council date/Completion	Current Status
a)	Complete the General Plan/Local Coastal Plan rewrite.	Planning, City Manager	Planning	Staff will bring draft plans to Council for formal consideration in Spring/Summer 2019.	Coastal Commission staff is reviewing an administrative draft of the document.
b)	Complete the zoning code update, which includes a review of the Short-term Vacation Rental Policy and Secondary Unit (more commonly known as ADU or "Granny Unit") Ordinance.	Planning, City Manager, City Attorney, Finance	Planning	Staff will bring entire proposed zoning code update to City Council in 2019 (including the Secondary Unit ordinance). Vacation Rental ordinance will likely come forward to Council later in 2019.	The zoning code is broken into 5 modules. Module 1 is complete (i.e. reviewed by Planning Commission). Module 2 is being updated based on recent PC input. An administrative draft of module 3 is being reviewed by staff. Module 3 includes the vacation rental policy.

Goal #:5 Improved Communication and Miscellaneous Priorities					
Objective #1: Improve Community Outreach and Communications					
Item #	Action Items	Departments Involved	Lead Department	Anticipated Council date/Completion	Current Status
a)	Conduct an assessment of the City's communication and outreach effectiveness.	All	City Manager	No anticipated discussion with City Council at this time.	Professional review of city's communication and outreach efforts would cost approximately \$20k - \$30K.
b)	Improve website, including adding Water Reclamation Facility updates on the front of the website.	All	City Manager	Unlikely to bring any items forward to Council. Staff will continue to make efforts to keep the website updated and information relevant to the community.	On-going effort by City staff, as time allows.
c)	Enhance accountability of goals, objectives, measurements, progress and completion with consistency, and communicate progress on Council's Strategic Goals and Objectives.	All	City Manager	Staff is bringing a status report of the 2018 Goals and Objectives to City Council at the July 10, 2018 Council meeting.	Staff is developing a public friendly Goals and Objectives document to place on the City website.
Objective #2: Miscellaneous Action Items					
Item #	Action Items	Departments Involved	Lead Department	Anticipated Council date/Completion	Current Status
a)	Create greater efficiencies and coordination with partners (community organizations)	City Manager, Recreation, Tourism, Public Works, Harbor	Recreation	Council to consider the Partnership Policy in Fall 2018.	Staff reviewing the Partnership Policy and related administrative policies.
b)	Implement Marijuana Ordinance.	All	City Manager	Council approved the ordinance, no further Council action required.	Staff in taking in applications, will initiate review process in the Fall 2018.

Which of the following areas do you find important for the City of Morro Bay to work on in the next two years?

- A** Financial and economic sustainability
- B** Continue work on the Water Reclamation Facility
- C** Updating the City's land use plans
- D** Improving infrastructure
- E** Improving communication with the community
- F** Other "Please leave a comment"

Anonymous user's Opinion

Responded **F** Financial and economic sustainability **E** Continue work on the Water Reclamation Facility **D** Updating the City's land use plans **C** Improving infrastructure **A** Other "Please leave a comment"

The completion of the general plan, the coastal plan and other specific plans is high priority because these must be completed before a new zoning ordinance can be drafted. An updated zoning ordinance is crucial information for businesses that are interested to locate in our city and will assist our Community Development Department with its work. We're nearing the finishing line on this process! Let's complete this and move on!

Anonymous user's Opinion

Responded **C** Improving infrastructure **E** Continue work on the Water Reclamation Facility **A** Other "Please leave a comment"

Parks & rec to make better use of the facilities especially the pool

Anonymous user's Opinion

Responded **F** Financial and economic sustainability **E** Continue work on the Water Reclamation Facility **D** Updating the City's land use plans **C** Improving infrastructure **B** Improving communication with the community **A** Other "Please leave a comment"

Although we had supportive help from the Planning Dept. we've heard other have had issues. A review to make the planning process, transparency of all fees, inspections and approval interactive and encouraging so projects move along. Rules are good, but at the same time staff needs to feel they have some flexibility with the rule in the box doesn't quite fit and a better fit should be allowed. We were given that flexibility and appreciated it and our project ended up much better for both us and the city's desire for more upgraded permeable projects. Of course, that means hiring skilled inspectors, planners and a training process to become more comfortable with flexibility or a way to quickly determine if new rules should/could be applied. We are small, but having one person follow the process for a project would be VERY helpful...now each department has a staff person with responsibility and sometimes they don't confer, information is dropped, or novice project owners don't understand all the hoops they need to jump. This means better communication on ALL parties including the person(s) submitting the project.

Anonymous user's Opinion

Responded **E** Continue work on the Water Reclamation Facility

We just need to move forward on this issue as fast as possible any keep us citizens regularly aware of the progress.

Anonymous user's Opinion

Responded **B** Improving communication with the community **F** Financial and economic sustainability **A** Other "Please leave a comment"

monitor and support local schools by addressing current food insecurity of families as well as creating other support efforts.

Anonymous user's Opinion

Responded **F** Financial and economic sustainability **E** Continue work on the Water Reclamation Facility **B** Improving communication with the community **A** Other "Please leave a comment"

In addition to the goals on the survey, I think we need to do a better (perhaps more visible) job of addressing the drug problem. While we currently enjoy a very safe environment, working with teens, I know how quickly this problem can get out of hand.

Anonymous user's Opinion

Responded **F** Financial and economic sustainability **A** Other "Please leave a comment"

We need to discuss the future of the power plant site. It is/can become the blight of all blights. Also, proceeding with the WRF at this point seems like a bad business decision. Buy low, sell high is a basic business practice and bid prices are at an all time high after the record long bull economy. Bank the money now, make the purchase during the next recession (maybe 5 years from now). That's nothing in terms of long term planning.

Anonymous user's Opinion

Responded **C** Improving infrastructure **B** Improving communication with the community

Put in round-about at Hwy 1 and hwy 41.

Anonymous user's Opinion

Responded **F** Financial and economic sustainability **E** Continue work on the Water Reclamation Facility **D** Updating the City's land use plans **C** Improving infrastructure

Our City needs to pay employees enough money so that they want to work here stay on the job. Working conditions need to be improved so that the workers are comfortable. Quality of life for our citizens and visitors and employees needs to be considered.

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What is the most important thing for the City of Morro Bay to work on in the next two years?



Anonymous user's Opinion

Economic Development & finish sewer project to get beyond the uglies.



Anonymous user's Opinion

Complete the WRF at south bay site ON TIME and ON BUDGET.



Anonymous user's Opinion

Installing a vacation rental ordinance that protects the single family neighborhoods. This is very important to the citizens that live here year round.



Anonymous user's Opinion

rent control



Anonymous user's Opinion

Affordable housing.



Anonymous user's Opinion

Housing and living wage jobs.



Anonymous user's Opinion

Too many rental properties. Weekends in MB have cars everywhere and loud parties.



Anonymous user's Opinion

Affordable housing



Anonymous user's Opinion

Remembering that Morro Bay is a small unique, quirky town and if you take away the specialness of this, it will change it's character and desirability



Anonymous user's Opinion

Affordable housing. Building a new water treatment plant



Anonymous user's Opinion

Affordable high quality housing. Attracting more businesses.



Anonymous user's Opinion

General plan, following all laws, ordinances and CCC rules. Include massive public input!



Anonymous user's Opinion

Demolish power plant. City will become the iconic fishing village it was meant to be. Replace location with an Embarcadero off ramp from Highway 1. Build a low profile resort conference center like Asilomar in Pacific Grove. Build a Visitors Center at base of Morro Rock. Landscape and pave Rock parking lot. Charge for parking. Turn South parking lot into pedestrian walk with benches, picnic tables and fire pits. Build viewing platform to watch breaking waves. People will pay for parking to visit these destinations. Finally, put a traffic signal at South Bay and State Park Rd. Very dangerous. Good luck!



Anonymous user's Opinion

Not over commercializing the waterfront. Affordable housing for younger people Keeping the police dept and fire staffed



Anonymous user's Opinion

Encouraging more diverse small business enterprises.



Anonymous user's Opinion

Continental moving forward on Sewer Facility



Anonymous user's Opinion

WRF, Improving the Embarcadero Limiting airBnB's



Anonymous user's Opinion

Wastewater treatment plant



Anonymous user's Opinion

Keep it an old fishing village town, dont let Morro Bay loose it's Authenticity.



Anonymous user's Opinion

Budget cuts, lowering water fees and more transparency.



Anonymous user's Opinion

Bringing new business to town other than Pawn shops. We need a good Deli, Jamba juice type store, etc. to mention just a few ideas



Anonymous user's Opinion

Affordable housing for families



Anonymous user's Opinion

For me, I would love to see the development of an under highway walkway/path for north Morro Bay residents to have better and safer access to Morro Bay High and the beaches



Anonymous user's Opinion

Safety, especially in relation to the drug problem.



Anonymous user's Opinion

Good quality of life. we all rely on our public services to keep us safe and surely appreciate every employee who works for us. Everyday we are thankful for clean air, clean water, appreciation of our wildlife, surrounding open spaces particularly the parks. Our City trees and walkways are important. We need to say hello to neighbors and visitors (this is rare in some communities, I understand). We need to keep or public buildings affordable to rent for local groups. The stage play could be using the Veteran's hall stage, but is too expensive. Please review the costs for local groups to use our facilities.



Anonymous user's Opinion

WRF !



Anonymous user's Opinion

Have a balanced budget.



Anonymous user's Opinion

Fixing the traffic flow at the San Jacinto, HWY 1, Main Street intersections. Affordable housing for families.



Anonymous user's Opinion

Not continue but finish the plan for the reclamation site and start construction. Make a plan, stick to it and get it done.



Anonymous user's Opinion

Water Reclamation, utility costs; enforcement of land use regulations



Anonymous user's Opinion

Environmental sustainability



Anonymous user's Opinion

Completing the waste water plant, getting the aquarium built, and developing the parking lot/Distasio location on the Embarcadero.



Anonymous user's Opinion

WRF



Anonymous user's Opinion

Generating more revenue to fund maintaining city services. Parking meters could be a good solution or basic camping in special city areas



Anonymous user's Opinion

Bring parking meters to raise revenue



Anonymous user's Opinion

Abolish the harbor department.



Anonymous user's Opinion

Maintaining a balanced budget and striving to consistently improve and strengthen the Cities infrastructure.



Anonymous user's Opinion

Stabilizing the water supply, enlisting a wider spread of the local population in choosing new directions, and being as green and eco-friendly as possible as we face new challenges from climate change, etc.



Anonymous user's Opinion

Very most important is headway on an affordable and effective sewer.



Anonymous user's Opinion

Water Reclamation Facility we should be pouring concrete on the RIGHETTI property.. but since those homeowners objected.. THEY SHOULD PAY A VIEW CHARGE since it was their property value that forced everyone else to pay more.. and subsidize their investment this is wrong.. and they need to pay up or shut up..

**Anonymous user's Opinion**

Build a Cement skatepark by the bike park, reopen the miniature golf course, Bury the telephone wires and poles in the neighborhoods or enforce the utility companies to clean up the spaghetti everywhere, replace the chain link fence along main and highway, actually enforce codes on residents homes to clean up their property, stop the sonic from coming, put a roundabout main and Atascadero rd, put some trash cans at the pit parking lot,

**Anonymous user's Opinion**

Increase revenue without raising taxes and adding employees. Organic Economic Growth

**Anonymous user's Opinion**

Less vacation rentals in residential neighborhoods

**Anonymous user's Opinion**

Sewer

**Anonymous user's Opinion**

Revitalizing the Stacks.

**Anonymous user's Opinion**

Keeping water affordable for everyone -- not just the rich.

**Anonymous user's Opinion**

Keep moving toward building the new sewer/water system. Expand sidewalks wherever possible.

**Anonymous user's Opinion**

City planning with community input

**Anonymous user's Opinion**

Traffic congestion in the downtown and waterfront areas.

**Anonymous user's Opinion**

Treatment plant, affordable housing, TRANSPARENCY! I have been here off and on since 1994 and am still trying to figure out what the H--- happened!

**Anonymous user's Opinion**

Maintain population limits, to maintain our small town atmosphere And feel. Maintain oversight of the water treatment plant to stay under budget.

**Anonymous user's Opinion**

WRF

**Anonymous user's Opinion**

Clean water, functioning sewer system - seems to me they go together. And, keep up on pot holes in the road.

**Anonymous user's Opinion**

Working with Cayucos Sanitation District to work together one one new water reclamation system instead of 2 new systems.

**Anonymous user's Opinion**

Support out small businesses by restricting the size of businesses. By creating a desirable "go to" atmosphere in our city center. Walkable shopping area that invites pedestrian action with places to shop, eat, rest, meet. Ensure that our housing is responsive to those that live here----affordable housing is necessary for elder citizens on limited income, younger citizens that work in out businesses, and families will add vitality to the area.

**Anonymous user's Opinion**

The wastewater reclamation facility.

**Anonymous user's Opinion**

Boat Haul Out Facility

**Anonymous user's Opinion**

Generate more revenue via tourism and local spending

**Anonymous user's Opinion**

Infrastructure updates

**Anonymous user's Opinion**

Make the city look "clean". New paint on some buildings, clean sidewalks, make neighborhoods shine just by cleaning up? For instance, the cyclone fence along Main and Hwy 1 is in a state of disrepair. Let's replace it with something new and shiny. Give Morro Bay a face lift?



Anonymous user's Opinion

Affordable housing



Anonymous user's Opinion

Eliminate STR's from residential areas.



Anonymous user's Opinion

Ensuring adequate water supply and water conservation education.



Anonymous user's Opinion

New city facilities- new Veterans building, new police station.



Anonymous user's Opinion

Water Reclamation Facility



Anonymous user's Opinion

Moving forward with WRF.



Anonymous user's Opinion

Lowering the cost of the water/sewer bill



Anonymous user's Opinion

Infrastructure.



Anonymous user's Opinion

Move ahead on the wastewater treatment facility.



Anonymous user's Opinion

Installing Sheriff Department instead of paying for PD Working with the people who live in Morro Bay not just people who own land in Morro Bay Hire young professionals and city staff at a living wage Stop re asphaltting roads and actually repair them



Anonymous user's Opinion

Focus on it's current residences in the community. Also the policy for the water department is outrageous. One late payment fee can be waived in an entire lifetime, I find that to be absurd and ridiculous. A couple years ago I had a baby I was in the hospital so the bill had gone unpaid and the rep told me that she shouldn't waive it because I might have a higher fee later on down the line if I forget and I only get one forever. I think you need to have a better policy, especially since we pay outrageous fees as it is. I'd also like to see more things done for the community, Also less vacation homes to be purchased in the area as its driving up prices for the people that live and work in the community and we can't even afford to buy a home because of this drive.