



Council Agenda Report

From: Ty Lewis, City Manager
Chris Huot, Assistant City Manager

Subject: Approval of Fiscal Years 2024-25 and 2025-26 City Council Goals

CEQA Determination: The City finds that this action is not a project under the California Environmental Quality Act pursuant to State Guidelines Section State CEQA Guidelines, §§ 15060, subd. (c)(2)-(3), 15378.

Date: March 19, 2024

Facts

1. The City Council is required to adopt a comprehensive operating and capital expenditure budget to authorize the receipt of revenues and to authorize, guide, and direct City activities no later than June 30 each year.
2. The process to develop a comprehensive annual budget typically takes between four to five months.
3. On March 2, 2024, the City Council held a special meeting to review and update the City Council Goals for the upcoming budget cycle, to receive a preliminary fiscal outlook, and to establish budgetary priorities for the budget cycle.
4. City Council goals provide direction to City staff on the allocation of staff time and fiscal resources.
5. City Council goals communicate to the public and other stakeholders as to the priorities of the community.

Community Outreach

To develop these goals, the City Council holds a workshop to receive feedback from the public and to provide staff direction on the development of the goals for the upcoming budget cycle. The City held this workshop on March 2, 2024.

Options

1. Take no action;
2. Approve the updated City Council Goals for Fiscal Years 2024-25 and 2025-26 as written;
3. Approve the updated City Council Goals for Fiscal Years 2024-25 and 2025-26 after any additional amendments or modifications; or
4. Provide alternative direction.

Analysis and Conclusions

Every two years, the City Council adopts a set of goals and objectives that guides City staff's work for the upcoming two-year budget cycle. These goals prioritize how staff allocate time and resources to achieve these objectives. To develop these goals, the City Council holds a workshop to receive feedback from the public and to provide staff direction on the development of the goals for the upcoming budget cycle. The City held this workshop on March 2, 2024.

Based on an internal review of prior year goals, staff proposed a reformatted structure for the goals document to provide a more streamlined, measurable set of goals (Attachment 1). The intent of reformatting the goals document is to incorporate elements of “SMART” goals, that is Specific, Measurable, Achievable, Relevant, and Time-Bound. The reformatted goals also provide the City Council and public with a more comprehensive understanding of what specifically the City seeks to achieve for the next two years. This document is not meant to capture all the organization’s work product for the upcoming budget cycle. Nor is it meant to include broad, aspirational statements. It is meant to provide the reader with specific and measurable action items that represent major or key actions to be undertaken by the City in the next two years. All departments have goals and objectives beyond what is included in this document; however, those goals are typically operational, regulatory, or process-oriented in nature.

The document is separated into six Goal Areas: Transportation and Infrastructure, Public Safety, Recreational, Cultural, and Open Space, Homelessness Response, Community & Economic Development and Efficient and Responsive Government. Within each of these goal areas there are several elements:

- **Goal statement:** A succinct, overarching description of what the Action Items are intended to accomplish for each Goal Area.
- **Initiative:** The specific action proposed to be taken to accomplish a specific project or action.
- **Department:** The City department(s) responsible for carrying out the initiative/action item.
- **Timeline:** The fiscal year that the initiative/action item is expected to be completed or substantially advanced. If ongoing over the two fiscal years, the item will note "FY 25 & 26 Ongoing" in the Timeline column.
- **Metrics/Deliverables:** How will the City Council, staff and the public measure success, completion and/or effectiveness of initiative/action item.

Accompanying the goals document are supporting memorandums for each action item (Attachment 2). The purpose of the memos is to provide the City Council and public with a summary of the proposed action item, relevant background, purpose, impacts and benefits of pursuing the item. Fiscal information, if available, is also included. Staff is requesting the City Council provide any additional direction, updates or changes to the document and adopt the document.

Budget and Goals Workshop

The City held its budget and goals workshop on March 2, 2024. The workshop was attended by several members of the public and staff. Staff presented the abovementioned goals to the City Council. The City Council asked clarifying questions, provided feedback, and received public input. At the conclusion of the day-long session, staff identified several items raised by the public and/or by the City Council that required follow-up or a response. The following is a summary of those items and staff follow up/response.

Item	Staff Follow Up/Response
Members of the public and Councilmembers Bausch and Gregory signified support for a goal specific to increasing the number of affordable housing units within the City.	Staff has added a goal for this item under the Community and Economic Development Goal Area for City Council’s consideration.

<p>Councilmembers Strong and Roden discussed the need for long term planning to accommodate library space needs and City Hall space needs, respectively.</p>	<p>The proposed goals include an Action Item that states: Encourage creativity, collaboration and connection among City staff and the public by resolving space needs and creating welcoming, functional workspaces at City Hall/Library, Centennial Park, and the Corporation Yard.</p> <p>Although this Action Item is oriented more toward maximizing existing space through renovation and retrofitting, it will also include a forward-looking analysis to determine what opportunities exist to uncouple City Hall from the Library.</p>
<p>A member of the public requested the City install a crosswalk signal at Creston Road and Myrtlewood Road.</p>	<p>Staff are evaluating this request. Preliminary research has indicated the crosswalk at Myrtlewood will be removed and replaced with a signalized crosswalk at nearby Stoney Creek Road when a traffic signal is installed at that location. This is identified within the Beechwood Specific Plan Environmental Impact Report. Staff does not recommend adding this to the goals document at this time.</p>
<p>A member of the public requested the City establish a grant program to assist non-profits in sponsoring culturally diverse events within the City.</p>	<p>Staff are evaluating this request. Staff will return to the City Council with recommendations. Staff does not recommend adding this to the goals document at this time.</p>
<p>ECHO Paso Robles staff requested the City Council consider providing a funding contribution for shelter operations for Fiscal Years 2024-25 and 2025-26.</p>	<p>Staff will include this request as part of the Proposed Budget for discussion and direction by the City Council. Staff does not recommend adding this to the goals document at this time.</p>

In addition to this workshop, staff plan to discuss proposed goals and provide a budget overview at the next Coffee with the City Manager event. That will take place on March 22, 2024 at 7:30 a.m. in the Patina Room at Cal Coast Brewing. Staff is also working to organize a budget overview session for Spanish speakers. Details are forthcoming.

Budgetary Impacts of Goals

All goal items that have estimated costs associated with them will be included in the proposed budget that staff will present on April 16, 2024. Many of the goals are one-time capital or study costs, therefore, staff will be proposing the use of accrued General Fund reserves above the reserve policy level to fund a portion of these requests. If an item is not ultimately funded via the proposed budget, staff will adjust the approved goals document to reflect the changed circumstances at the time the budget is adopted.

Budget Process and Timeline

There are several key dates and actions that are necessary to compile, present, discuss and adopt the budget by June 30, 2024. The following table provides the City Council approved timeline for the full budget development process:

Timeline	Action Item
February 6, 2024	Regular City Council Meeting: Budget Process Timeline Overview
March 2, 2024	Budget and Goals Workshop: Community Goal Setting & Budget Planning Session
March 19, 2024	Approval of FY 2024-25 and 25-26 Goals
April 16, 2024	Regular City Council Meeting: FY 24-25 & 25-26 Proposed Budget Overview
May 7, 2024	Regular City Council Meeting: Department Overviews/Capital Improvement Plan/Enterprise Funds/Measure J-20 Expenditures
May 22, 2024	Regular City Council Meeting: Enterprise and Internal Service Funds
June 18, 2024	Regular City Council Meeting: Budget Adoption

Fiscal Impact

There are no fiscal impacts by adopting the City Council Goals.

CEQA

The City finds that this action is not a project under the California Environmental Quality Act pursuant to State Guidelines Section State CEQA Guidelines, §§ 15060, subd. (c)(2)-(3), 15378.

Recommendation (Option 2)

Approve the updated City Council Goals for Fiscal Years 2024-25 and 2025-26 as written.

Attachments

1. City Council Goals
2. City Council Goal Memorandums