



Agenda Item No: _____

Council Meeting Date: May 6, 2013

Prepared and Approved By:

Marjie Pettus, City Manager

REQUEST FOR CITY COUNCIL ACTION

SUBJECT Proposed Strategic Planning Project

RECOMMENDED ACTION

It is recommended City Council direct staff to proceed with the proposed strategic planning project, including the retention of facilitator Michelle Murphy.

BACKGROUND

Over the past four years the City organization has undergone significant changes. The economic downturn led to reduced staffing levels and improved operational procedures. Working cooperatively the City Council and staff conducted a core services analysis which led to modified budgeting practices. Other changes include department reorganizations, broad-banding job classifications, deferred maintenance and capital replacement, and the elimination of programs and services.

There are now indicators that the local economy is improving. Tax revenues are rising; the City has received one-time monies and controlled expenses. With the successful passage of Measure V and the need to establish funding priorities, it is appropriate for the City Council to consider engaging in strategic planning.

In 2009 the City Council began a strategic planning effort. This work was suspended due to diminishing interest and the need to address the fiscal crisis. Prior to discontinuing the strategic planning process, City Council and staff created a mission statement and drafted values. This work can serve as the foundation for the new strategic planning process.

DISCUSSION

Vice Mayor Jim Wood requested the City Council consider engaging a consultant, Michelle Murphy, for the purpose of developing a long-range strategic plan. On January 28, 2013, Ms. Murphy made a presentation to the Council describing her approach to strategic planning. While the Council was receptive to moving forward with a strategic plan, there were some questions regarding timing and cost. Ms. Murphy was unable to provide responses without knowing more specifically what the City Council wanted to do. Staff was asked to return with more information.

Based on feedback from council members, the following process is recommended:

1. Facilitated planning session with City Council and staff: A session with Ms. Murphy to develop a vision for the city, confirm the mission statement and finalize the organizational values. This session would also include an internal SWOT (strengths, weaknesses, opportunities and threats) analysis.
2. Facilitated planning session with community stakeholders: Ms. Murphy will lead stakeholders through the SWOT analysis exercise. Community participation will ensure the process is inclusive. It will also provide the City Council with a way to evaluate its priorities and concerns in relation to those of Healdsburg's citizens. The purpose is to develop a strategic plan that is both attainable and realistic.

3. Second facilitated session with City Council and management staff: This meeting will entail the compilation and review of the SWOT analyses, development of strategic initiatives, alignment of 2013 Council goals with the initiatives and development of action plans. The objective of this process is for the City Council to develop broad strategic initiatives. These initiatives will help guide activities over the next five to ten years. City Council goals will be established annually to prioritize activities that feed the initiatives. Department heads will then develop the action plans to advance the annual goals.
4. Prepare and present the strategic plan: Ms. Murphy will provide the City with a document that will serve as the basis for the strategic plan. Information obtained through the internal and external sessions will also be included.

Timing for the strategic planning process is estimated as follows:

1. May: City Council action authorizing the retention of facilitator to engage in strategic planning
2. June: Award contract to facilitator
3. July: Begin process with City Council/staff facilitated session
4. August: Host facilitated stakeholder session
5. September: Second facilitated work session with City Council and management staff
6. October: Draft strategic plan
7. November: Finalize and adopt strategic plan

ENVIRONMENTAL ANALYSIS

Not applicable

FISCAL IMPACT

It is estimated the strategic planning process will result in a general fund cost of \$35,000. Funding was included in the 2012-13 but will not be spent. The allocation has been incorporated into the 2013-14 budget for the Administration department.

ALTERNATIVES

One alternative is to keep the strategic planning process internal. City Council and staff could work with the facilitator to develop the strategic plan. This would reduce the number of facilitated meetings and cost of the planning effort. The lack of public input may result in a plan that does not reflect community interests. In addition, the plan may not be accepted as legitimate or objective without citizen participation.

The City Council could opt to have more than one session with stakeholders. This option will increase costs and the amount of time required to complete the planning process. Or, Council could attempt to obtain additional citizen input via a survey mechanism. Surveys have met with limited success and will also add time to the process. The advantage of these alternatives is greater community participation and potentially, greater buy in.