



AGENDA

Special Study Session of the
Scotts Valley City Council

Date: February 28, 2024 at 9:00 AM
February 29, 2024 at 11:00 AM

CONTACT INFORMATION	MEETING LOCATION	POSTING
City of Scotts Valley 1 Civic Center Drive Scotts Valley, CA 95066 (831) 440-5600	Four Points by Sheraton 5030 Scotts Valley Drive Scotts Valley, CA 95066 (831) 438-1500	Agenda posted on 2-23-2024 at City Hall, SV Senior Center, SV Public Works Building, and on the Internet at: www.scottsvalley.gov

ELECTED OFFICIALS	CITY STAFF MEMBERS
Randy Johnson, Mayor Derek Timm, Vice Mayor Jack Dilles, Council Member Donna Lind, Council Member Allan Timms, Council Member	Mali LaGoe, City Manager Kirsten Powell, City Attorney Steve Walpole, Chief of Police Scott Garner, Police Captain Taylor Bateman, Community Development Director Stephanie Hill, Administrative Services Director Allison Pfefferkorn, Recreation Division Manager Steve Jesberg, Interim Staff Scott Hamby, Interim Staff Cathie Simonovich, City Clerk Lauren Lambert, Deputy City Clerk

CALL TO ORDER 9:00 AM

PLEDGE OF ALLEGIANCE and MOMENT OF SILENCE

ROLL CALL

PUBLIC COMMENT TIME

This is the opportunity for individuals attending in person to make oral comments to the Council on any items within the purview of the Council, which are NOT part of the Agenda. No action on the item may be taken, but the Council may request the matter be placed on a future agenda.

SPECIAL SET MATTER

1. Study Session: Strategic Plan 2024

ADJOURNMENT

City of Scotts Valley CITY COUNCIL STAFF REPORT

DATE: 2/28/2024
TO: Honorable Mayor and City Council
FROM: Mali LaGoe, City Manager
APPROVED: Mali LaGoe, City Manager
SUBJECT: **Study Session: Strategic Plan 2024**

SUMMARY OF ISSUE

The City of Scotts Valley is committed to providing the highest level of service to our residents, businesses and visitors that we can with the resources available. In 2023, the City Council adopted organizational mission, vision, and values statements that lead and inspire the day-to-day activities of staff to address both short term and long term challenges. The Council also adopted 2023 strategic goals, which have guided the budget and resource priorities for the 2023-2024 fiscal year.

The strategic planning study session will consist of a series of presentations by staff and consultants to demonstrate the progress made on the 2023 strategic goals and shape the focus areas for the City's 2024 strategic goals. The Council will be asked to provide feedback and input regarding the City's priorities but will not take any action at this special meeting.

Staff will gain valuable insights into where to focus attention and prioritization of work to be brought back to the City Council at future regular meetings for the Council to take action, including consideration of a 2024 Strategic Plan.

FISCAL IMPACT

There is no fiscal impact associated with this study session.

STAFF RECOMMENDATION

Staff recommends the Council receive information and discuss the City's strategic goals.

TABLE OF CONTENTS

1. Scotts Valley MVV
2. Strategic Goals FY23-24
3. Strategic Work Plan update Q2 2023-24

**Vision:**

Scotts Valley is a healthy, safe, and welcoming city, rooted in hometown values and appreciation for the natural environment that surrounds us.

Mission:

Our mission is to create and sustain high-quality amenities and services for our residents, businesses, and visitors to Scotts Valley, in a fiscally responsible way.

Share Values:

- **Teamwork.** We collaborate, care about, and respect each other. We are each accountable to our team and our community.
- **Growth and Learning.** We are outcome focused, and committed to continuous improvement and professional development. We are flexible and adaptable.
- **Health and Safety.** We put the health and safety of our employees and our community first. We value work-life balance.
- **Integrity.** We do the right thing, even when it's not the easy thing.
- **Financial Stability.** We make prudent decisions to protect long-term financial stability.
- **Openhearted.** We embrace diverse perspectives, strive for fairness and support a sense of belonging for our staff and community.
- **Making a Difference.** We do this work because we care about, and are proud of, our community.
- **Fun!** We are friendly, creative, and enjoy working with one another.
- **Hardworking.** We get things done and celebrate achievements.



Fiscal Year 2023/24 Strategic Goals

- Identify additional revenue sources to support a thriving City.
- Invest in operational enhancements to improve the efficiency of day-to-day operations.
- Plan for the future by completing the General Plan update, Housing Element, and facilitating the future development of the Town Center.
- Explore new ways to connect and partner with local businesses to explore Scotts Valley's brand and competitive advantage.
- Re-establish recreation programming that supports the diverse interests of our community.
- Prioritize implementation of critical Wastewater infrastructure projects.
- Encourage civic engagement and improve transparency by launching the City's new website and OpenGov portal and increase use of digital media to share and receive information with Scotts Valley residents.
- Invest in improvements to bike and pedestrian safety.
- Support cultural events, art, and projects that celebrate Scotts Valley.



STRATEGIC WORK PLAN

Q2 RESULTS

October – December 2023

FISCAL YEAR 2023/24

INTRODUCTION

In January 2023, the Scotts Valley City Council met to review the strategic goals for FY 2022/23 and to provide direction to staff regarding the City's priorities for FY 2023/24. This direction guided the FY 2023/24 budget development and organizational priorities. In June, the Council approved the City's FY2023/24 budget covering the time period of July 1, 2023 to June 30, 2024.

The City Manager is responsible for developing the strategies, tactics and projects that are achievable and realistic and will drive the City's progress toward these goals. The City Manager reports to the City Council on a quarterly basis on the progress achieved, challenges and setbacks as related to these goals.

This report covers the second quarter of the fiscal year – October through December 2023. It includes the specific strategies, tactics and projects the City Manager has identified as key leverage points for success.

The status of each project or tactic is described as follows using the following graphic:



Grey = Not started

Red = Behind Plan/schedule

Yellow = In planning/queued up

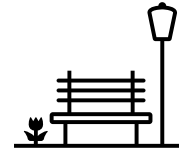
Light green = In process/on track

Dark green = Complete

OVERVIEW OF GOALS



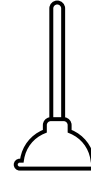
Identify additional revenue sources to support a thriving City



Re-establish recreation to support diverse interests



Improve the efficiency of day-to-day operations



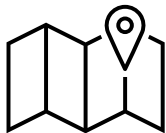
Prioritize critical wastewater infrastructure projects



Plan for the future by completing the General Plan, Housing Element and facilitating the Town Center development



Improve opportunities for civic engagement



Connect with local businesses to explore Scotts Valley's brand



Improve pedestrian and bike safety



Celebrate Scotts Valley

RESULT HIGHLIGHTS

SUCCESSSES

Major milestones were achieved this quarter as the City's General Plan and Housing Element were adopted by the City Council. The City also hosted a very successful inaugural Citizens Academy with nine residents completing the program. Progress on the Town Center continues to march forward and City's focused commitment to implementing software solutions to gain efficiency and improve customer service has progressed on schedule. The Executive Team hosted an employee gratitude lunch at the end of the year to celebrate our successes and recognize staff reaching milestones in their careers with the City.

CHALLENGES

Staffing instability in the Public Works Engineering division has setback progress on important projects. The City continues to recruit for key positions while relying on retired annuitant and consultant support.

NEXT STEPS

Progress will continue on all goals. In the next quarter, the City Council will begin planning for next year's goals and budget priorities while we continue to work toward the current year goals.



STAFFING STATUS

The City can't achieve these goals without adequate and consistent staffing.

In this period, the City's vacancy rate was **9%**.

We filled **7** vacant positions &

4 staff left the City.

The average tenure of all City staff is **5 years**.

Scotts Valley Strategic Workplan for Fiscal Year 23/24 Status as of 12/31/2023 (Q2)



GOAL 1: Identify additional revenue sources to support a thriving City.

STRATEGIES	TACTICS	STATUS
Research Business License Tax Structures	- Hire consultant to complete financial analysis - Conduct market research - Determine whether to place measure on November 2024 ballot by August 2024	
Research User Utility Tax Structures	- Hire consultant to complete financial analysis - Conduct market research - Determine whether to place a measure on November 2024 ballot by August 2024	
Analyze Transient Occupancy Tax increase	Consider an increase from 11% to 12% to match the rest of the County	

Notes: This work is led by the City Manager and Administrative Services Director. A contract was executed with Baker Tilly to conduct financial analysis for both the UUT and BLT structures. The initial draft is complete and will be shared with the City Council at their planning workshop in February.

Scotts Valley Strategic Workplan for Fiscal Year 23/24

Status as of 12/31/2023 (Q2)



GOAL 2: Invest in operational enhancements to improve the efficiency of day-to-day operations.

STRATEGIES	TACTICS	STATUS
Document desk procedures and standard processes	Focus areas include: • Finance • Development Permitting • Public Works Maintenance	
Identify, prioritize and promote targeted subject matter training where needed	• Create intranet site as a “one stop” resource for all training programs available to staff • Provide access to on demand training and encourage staff to block time on their schedules to learn new skills • Utilize staff meetings and shift changes to deliver safety and operational trainings	
Finish implementation of software solutions for automation and efficiency	• Budget/Finance • PW Maintenance CMMS • Building and Planning Permits • Payroll system	
Attract and retain qualified staff in all departments	• Conduct a classification and compensation study • Continue to build positive work culture and support professional development • Recognize and reward high performance	

Notes: These efforts are led by the City’s executive team and are the responsibility of all City staff. In late 2023, the public works department experienced a high level of turnover. The CMMS system is somewhat delayed. Staff were recognized at the annual Gratitude Lunch in November with service awards and accomplishment recognition. Many of these tactics are a work in progress.

Scotts Valley Strategic Workplan for Fiscal Year 23/24 Status as of 12/31/2023 (Q2)



GOAL 3: Plan for the future by completing the General Plan update, Housing Element, and facilitating the future development of the Town Center.

STRATEGIES	TACTICS	STATUS
Submit Housing Element for HCD Certification by December 2023	• Submit first draft by July 10 • Review HCD comments and submit second draft by October 20 • Adopt Housing Element December 20 • Submit Adopted Housing Element to HCD by February 1 • Continue to work with our HCD reviewer for certification	
Complete General Plan by Spring of 2024	• Release EIR for public comment by Aug 10 • Respond to comments by October 30 • Bring final to City Council by December 31	
Progress through Town Center pre-development work	• Complete surface level environmental clean up • Hire Architect to update master layout in Specific Plan • Hire a consultant to update the Specific Plan EIR • Continue working through financing and partnership options	

Notes: This work is led by the Community Development Director and City Manager. This quarter, the City Council adopted the General Plan and Housing Element. Work continues with HCD to achieve certification. The Town Center planning update is progressing as planned. Additional information can be found on the City's website pages dedicated to each project.

Scotts Valley Strategic Workplan for Fiscal Year 23/24

Status as of 12/31/2023 (Q2)



GOAL 4: Explore new ways to connect and partner with local businesses to explore Scotts Valley's brand and competitive advantage.

STRATEGIES	TACTICS	STATUS
Connect with businesses via one-on-one meetings, focus groups, surveys to collect data related to SV value proposition	- Build business database utilizing sales tax and business license data, media and networking contacts - Conduct outreach activities to solicit input - Aggregate and analyze data	
Develop SV tagline with business and community input	- Create drafts with business input - Utilize FlashVote for community input	
Explore new marketing opportunities for Scotts Valley.	- Complete Community Video Project - Partner with community organizations to promote Scotts Valley businesses and events	

Notes: Most of this work is being led by the Economic Development Subcommittee with City Manager and volunteer support. The Subcommittee started one-on-one meetings with businesses this quarter. In addition, planning for the Community Video Project has resumed.

Scotts Valley Strategic Workplan for Fiscal Year 23/24 Status as of 12/31/2023 (Q2)



GOAL 5: Re-establish recreation programming that supports the diverse interests of our community.

STRATEGIES	TACTICS	STATUS
Continue implementation of the Recreation Restoration Plan	- Reassess/reprioritize incomplete recommendations based on current needs and resources - Develop a marketing plan to promote restoration projects	
Complete the Recreation Strategic and Parks Master Plans	- Support consultant on utilizing public input to draft master plan - Bring plans to the City Council in early 2024 for adoption	
Develop new partnerships for programming	- Summer Youth activities - Siltanen Pool operator - Expand instructor network	
Expand services better serve the public	- Create a Volunteer Program - Revamp the Memorial Donation Program - Expand public hours at the Recreation Office	
Utilize the Arts, Parks and Recreation and Senior Board Commission to advise program enhancements	- Parks and Recreation Commission Subcommittees to address Skypark court issues and Parks Master Plan - Arts Commission meetings, fill vacancies, reengage in projects - Senior board membership, meetings to advise enhanced programming and services	

Notes: This work is led by the Recreation Division Manager with support from the City Manager. The new Recreation Division Manager started in August and has picked up where the previous manager left off. The Siltanen Pool was open for 1 month in the fall of 2023. Planning is underway to operate the pool for a full season in 2024. Classes and programs are rebounding in attendance and community interest. The three commissions that advise this area of City Services are slowly coming back on line with important projects.

Scotts Valley Strategic Workplan for Fiscal Year 23/24 Status as of 12/31/2023 (Q2)



GOAL 6: Prioritize implementation of critical Wastewater infrastructure projects.

STRATEGIES	TACTICS	STATUS
Build staff capacity to deliver capital projects	• Hire Wastewater Division Manager	
	• Utilize consultant project managers, engineers on identified CIP projects	
	• Determine long term WW plant infrastructure direction	
Identify and implement financing strategy to accelerate project implementation	• Analyze options to finance projects	
	• Make recommendations to City Council	
	• Implement Council direction	

Notes: This work is led by the Public Works Director with support from Engineering staff until the Division Manager position is filled. This work continues to face setbacks and challenges due to staff capacity, expertise, and the vast complexity of the work. The Interim Public Works Director and City Manager are working on a revised strategy.

Scotts Valley Strategic Workplan for Fiscal Year 23/24 Status as of 12/31/2023 (Q2)



GOAL 7: Encourage civic engagement and improve transparency by launching the City's new website and budget portal and increase use of digital media to share and receive information with Scotts Valley residents.

STRATEGIES	TACTICS	STATUS
Continue to improve website content and accessibility	- Implement CivicClerk for agenda and minutes management - Complete Police Department new website - Review content and update as needed	
Increase City's social media presence and reach	- Increase coordination between the city's multiple pages managed by different staff - Produce more video content to attract viewers	
Host a Citizens Academy program	- Develop schedule, content, and application - Deliver program before Dec 2023 - Evaluate program and determine future use - Deliver 2nd program in Spring 2024	

Notes: This work is led by the City Manager with support from the executive team and administrative staff. This work is on track with the first Citizens Academy completed in November with 9 graduates. Feedback from the participants was very positive and a second session is being planned for the Spring 2024. Administrative staff continue to work on website and social media enhancements as time allows.

Scotts Valley Strategic Workplan for Fiscal Year 23/24

Status as of 12/31/2023 (Q2)



GOAL 8: Invest in improvements to bike and pedestrian safety.

STRATEGY	PROJECTS	STATUS
Integrate bike/ped improvements with funded road improvement projects	• Bean Creek Road rehabilitation	
	• Various striping projects	
	• Granite Creek Overpass improvements	
Include bike/ped needs in future road improvement plans	• Develop Mount Hermon Road master plan	
	• Initiate Scotts Valley Drive complete street design	

Notes: This work will be included by Public Works Engineering Division in conjunction with identified projects. Bean Creek Road and various striping projects are complete with new sidewalks and bike lanes. The City was awarded two grants from the Regional Transportation Commission to support the two planning projects at Mount Hermon Road and Scotts Valley Drive, totaling over \$1 million. Staff turnover in public works has precluded these projects from starting.

Scotts Valley Strategic Workplan for Fiscal Year 23/24 Status as of 12/31/2023 (Q2)



GOAL 9: Support cultural events, art, and projects that celebrate Scotts Valley.

STRATEGIES	TACTICS	STATUS
Support non-profit events at City facilities	- Create a non-profit facility use policy and application form - Update event application process/forms - Develop agreements with sports leagues - Track fiscal impact of non-profit programs	
Support the SV Performing Arts Center with recreation programming and \$1/year rent of City facility	- Utilize 12 programming days at the PAC for Recreation programming - Manage lease agreement and programming requirements to ensure expectations are met	
Co-host cultural events such as the Multicultural Fair	Participate in planning the 2024 Multicultural Fair with the SV School District	
Host the 4 th of July parade (2023 and 2024)	- Police Department to lead planning event with support from PW Maintenance. - Update Event playbook for future years	
Community Grants Program	- Conduct application process and recommendations to City Council - Execute contracts with awarded non-profit recipients - Monitor contract compliance and close out before fiscal year end	

Notes: This work is led by various departments including Recreation, Police and Administration. This work is tracking well with the successful 2023 4th of July parade. The Community Grant program received 16 applications and the City Council awarded \$50,000 to 8 organizations in October. The new Recreation Manager is participating in the Multicultural Fair planning for 2024 as well as other recreation administrative activities.