

**CITY OF ALBANY
CITY COUNCIL AGENDA
STAFF REPORT**

Agenda Date: April 2, 2012
Reviewed by: BP

SUBJECT: 2012-13 Operating Budget Goals & Objectives

REPORT BY: Beth Pollard, City Manager

STAFF RECOMMENDATION

That Council receive staff's initial draft objectives for City Council goals for the 2012-13 fiscal year operating budget, and provide comments and direction.

BACKGROUND

Every two years the City Council adopts an operating budget along with goals and objectives. Adoption of the next budget, goals, and objectives is scheduled for June, 2012.

The City's 2010-12 goals and objectives were developed from a process that included revising the City's Mission Statement, and development a new Vision Statement. The City Council goals were created from the Vision Statement. Those goals are:

- Environmental and fiscal strength
- Healthy local economy
- Safe, diverse, and engaged neighborhoods
- Treasured waterfront

The most recent progress report to the City Council and community on accomplishment of the 2010-12 objectives was made at the regular Council meeting of February 21, 2012.

DISCUSSION

City staff has drafted initial goals and objectives for the 2012-13 fiscal year. The goals are a continuation of the priorities identified by Council when it created its Vision Statement, with the addition of a new goal with the working title "Efficient, Effective & Productive Organization." The attached matrices collate the objectives by goal as well as by department. Staff is seeking comments and direction from Council to incorporate into the final version scheduled to be presented to Council in June.

Criteria

The goals & objectives are designed to be:

- For a one fiscal year period only because one of the objectives is to revise the goals & objectives and budget cycle so that it more closely follows the Council election.
- Scaled to the anticipation that City revenues will continue to remain relatively flat.
- An effort to recognize that the City is functioning at and beyond its capacity.
- Ambitious while also being feasible.
- Inclusive of ideas from Council, community and staff
- Oriented towards achieving the Council goals.
- Continually improving the city and City government.

Each department also submitted missions and vision statements to provide focus on their purpose and help guide preparation of the objectives.

Staff recognizes that the City Council may have additional objectives. Some additional objectives may be incorporated, while others may require modification or deletion of those on the attached lists because of staff and funding capacity limitations.

Highlights of the goals are:

Healthy Local Economy

Completing the review of the University Village and Safeway projects are primary objectives. San Pablo Avenue will become a focus of attention with the grant-funded project to create a “Complete Streets” strategy. Staff will continue to implement the Economic Development Strategy & Action Plan. Items of note this coming year are creating promotional opportunities for local businesses, and reviewing commercial parking requirements and personal service business regulations.

The dissolution of redevelopment agencies throughout the state – including the Albany Community Reinvestment Agency - compromises the City’s resources for improving Cleveland Avenue. The City will work with its state legislators to pursue other economic development resources and strategies.

Environmentally Strong

The City has adopted a Climate Action Plan and is about to adopt an Active Transportation Plan that identify projects, programs, and priorities for reducing carbon emissions and encouraging alternative means of transportation. The City will continue to apply for grant funds for their implementation, and make progress on those areas of the plans that are feasible. Other environmental objectives include strengthening the City’s green building requirements and reducing the City’s use of materials and supplies.

The General Plan update will provide an avenue for incorporating sustainability and other environmental goals and policies into the City’s long range strategies. Albany is also part of a regional effort to improve water quality through compliance with waste water and storm water regulations.

Fiscally Strong

The City has reduced its staffing by approximately eight full-time equivalent positions over the past few years and reduced compensation expenses. The development of the University Village project will have a net benefit to the General Fund. However, the City does not have the current capacity to meet all of its responsibilities and the community's expectations.

Objectives to strengthen the City's fiscal health include changes in operations to decrease contract costs, improve staff efficiency, capture revenues due to the city, adjust fees to ensure cost recovery, share services, and pursue grants. The objectives also include working with the City Council on the potential pursuant of tax measure(s).

Safe, Diverse & Engaged Neighborhoods

This goal covers a broad area of objectives to continually improve residents' safety, communications, and engagement. These objectives seek to improve the City and community's response during a disaster, provide a variety of avenues for face-to-face and electronic communications between city officials and the public, prevent accidents, and deliver the best public safety response possible. Among the objectives is to begin updating the General Plan, which will provide a blueprint for future efforts to create a safe, diverse, and engaged city.

Efficient, Effective & Productive Organization

As a municipal corporation, the City has ongoing duties and responsibilities to meet federal and state laws, comply with regulations, and use best practices to conduct its business and deliver services.

Objectives in this goal category for 2012-13 include appropriately conducting the 2012-13 election, maintaining compliance with the Brown Act, keeping up with technology, and refining policies and procedures to keep pace with new regulations and internal changes.

The objectives also recognize the change in the City Council that will occur because at least two Council seats will turn over due to term limits. The draft objectives include conducting strategic planning after the seating of the new Council, and changing the two-year budget, goals & objectives cycle to follow the Council election.

Treasured Waterfront

Albany beach restoration improvements and Bay Trail acquisition are projects underway by the East Bay Regional Park District (EBParks), and will require attention from city officials as the plans evolve and get implemented. The City will complete the Measure WW funded Cove enhancement project in the next several months.

Overnight camping on the Bulb has grown in size and in attention by the community. Developing the city's role, policies, and resources about overnight camping on the Bulb, in connection with other organizations, is an objective for 2012-13.

The proposal for locating the second campus of the Lawrence Berkeley National Laboratory at Golden Gate Fields created the opportunity for discussions with the community and the property owner about the future of this property. The Council contacted the property owner to invite continued conversation. An objective is to pursue this communication with the property owner, and others where applicable.

ANALYSIS

City staff has endeavored to identify reasonable, achievable and, where applicable, creative objectives that also ambitiously strive to achieve the Council's goals.

Over the past four years, the City has cut back its budget as a result of the global economic recession. The cuts in the City's budget, including the loss of about eight staff positions, have reduced the City's capacity to perform its duties and fulfill its responsibilities. The City staff is extremely limited in taking on new initiatives and responding to individual desires for information and action as it has stretched itself to its capacity, and beyond.

While the City has continued to function in a cut-back mode, there are consequences for continuing this approach. When there are fewer staff performing the work and insufficient funds to contract for specialized services, mistakes can be made, opportunities can be missed, and innovation can be compromised.

Examples of limitations in the City's capacity to meet its responsibilities and community expectations are described in the attached 'Capacity Limitations.'

As the City Council develops its next budget, goals and objectives, staff recommends that it be realistic in staying within current capacity limitations, while looking forward to creating expanded capacity in the future.

City staff will be available at the meeting to explain any of the objectives, discuss feasibility of higher priority Council objectives or trade-offs to the draft goals, and otherwise identify ways to implement the Council's vision.

SUSTAINABILITY IMPACT

None from this review.

FINANCIAL IMPACT

None from this review.

Attachments

1. City of Albany Draft Goals & Objectives
2. City Department Mission, Visions and Objectives
3. City of Albany 2012-13 Capacity Limitations