

CITY OF SEBASTOPOL CITY COUNCIL

AGENDA ITEM REPORT FOR MEETING OF: September 3, 2024

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To: Honorable Mayor and City Councilmembers  
 From: Don Schwartz, City Manager  
 Subject: Priority Setting

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**RECOMMENDATIONS:**

That the Council establish priorities for the next five months prior to the February goals workshop.

**EXECUTIVE SUMMARY:**

Most well-run cities conduct annual sessions with the City Council to establish or at least revisit their goals and priorities. This was common in Sebastopol, but has not occurred here in at least five years. Priority setting promotes alignment among the Council, Commissions, Board and Committees, and staff on where time and resources should be focused. Goals and priorities are often the basis for an annual work plan.

The Council approved funding for a consultant to conduct a goals and priority setting workshop for February 2025. Selection of a facilitator is underway with options being brought to the full Council at this same meeting. In the meantime, it is helpful for the Council to consider its priorities so that we can focus on them until the February session.

**BACKGROUND AND DISCUSSION:**

One of the more common challenges local governments face is balancing the needs and desires of the City Council and community with available resources. While this is often most evident with budget and funding decisions, staff time is another resource.

The Council has requested a discussion and opportunity to provide direction on the City’s priorities for the next five months, before a February 2025 Goals and Priority Setting Workshop. Staff agree that it is important for us to work on what the Council as a whole considers most important. Many ideas arise from Councilmembers, the community, and staff. Having the full Council set priorities allows us to focus on what the Council considers most important. This increases the opportunities for success by addressing the highest priorities before moving on to lower priorities. The purpose of this item is setting priorities for the next several months. One way to think about this is what do you want to focus on now?

The Council’s priorities should be driven by the Council’s goals. This City Council as a whole has not adopted a set of goals and priorities. Goal setting by its nature tends to take a longer-term perspective, often two years or more. Cities often pursue these goals with a set of priority projects or initiatives that together move toward achieving the desired goals.

We anticipate revisiting priorities as part of a goal-setting process in early February of next year. It is common and appropriate to have such a session early in the term of new and/or returning Councilmembers, and to review goals and priorities at least annually and adjust if and as needed. Thus, while the focus of this item is relatively short-term, we encourage the Council to consider priorities in the context of the long-term. One way to think about this item as well as the upcoming discussion is what do you want to be different two years from now?

In addition to the interests of the Council, community, and staff, the capacity of the organization is a crucial part of setting goals and priorities. While setting high standards and challenging goals can be motivating, setting unrealistic expectations can be de-motivating and counterproductive. Finding the right balance is a constant challenge.

**STAFF ANALYSIS:**

The Council has already established numerous initiatives that are essentially serving as Council priorities. This includes several added in the recently-adopted budget. The attachment to this report includes several categories of projects or initiatives that are underway or anticipated to start (and in some cases finish) within the next six months.

**PROJECTS/PRIORITIES THAT ARE REQUIRED BY LEGAL and/or CONTRACTUAL OBLIGATIONS:**

Based upon review of the current projects and priorities, staff is presenting these 9 items as top priorities for the next five to six months. These priorities are the result of legal and/or contractual requirements that the City is obligated to perform. They are therefore not discretionary and must be completed. It is recommended that the City Council not remove or change these legal and/or contractually required priority projects. Removal of these priority projects will result in missed deadlines, breach of contractual requirements, rescission of grant funding to name a few of the consequences.

The items are listed in alphabetical order and not in any order of significance.

1. Affordable rental housing Monitoring - Contract with County for monitoring
2. Employee Negotiations
3. Enhanced Infrastructure Financing District (EIFD)
4. Fleet Assessment (This is assuming that the City Council approves the Contract Amendment). This is proposed as a priority due to the upcoming retirement of the Public Works Superintendent.
5. Fire Reorganization/Consolidation
  - a. Station Assessment
  - b. Evaluation of Expanded Coverage Options
6. Housing Element Implementation (Mandatory Requirements)
7. Public Education/Outreach for Sales Tax Ballot Measure U
8. Solid Waste Hauler Procurement
9. Sustainable Transportation Grant

A list of all items with more detailed information and timelines are attached to this report.

**ADDITIONAL INITIATIVES FOR COUNCIL CONSIDERATION AS PRIORITIES FOR THE NEXT 5 TO 6 MONTHS:**

Council has presented staff with just under 30 additional projects that require staff time for completion which are outside of day to day operations. All are listed below. There is insufficient staff time available to complete all of them in the next five to six months. Staff seeks Council direction on which ones to prioritize, and which ones to leave for consideration in February when the Council completes its Goals and Priorities Setting Workshop.

These are presented here in three groups. Staff presents the first group of 7 initiatives first, and offers staff's recommendation that these seven be prioritized for this short term five to six month period.

The second and third groups staff recommends be left for consideration in February due to insufficient available staff time to address them. These include 6 that have full Council support, and 13 that have at least one councilmember's support but have not yet received full Council support.

Staff offers its recommendation here with the understanding that Council may in its discretion determine a different set of initiatives to prioritize for this next five to six month period.

However, staff urges the Council to not add any projects to the priorities list recommended by Staff without removing comparable projects; or if projects are added, recognizing that some projects may be delayed due to additional workload of added priorities.

These items are listed within the three groups in an alphabetical order and not in any order of significance.

Group 1: Council Approved Initiatives that Staff recommends be prioritized for the next 5 to 6 months;

These have been started and are intended to be completed within the next six months. It is recommended that as these items are in process, the City Council not amend this list and allow the completion of the items.

1. City Council Protocols (This would be individual policies coming before the City Council with the estimate completion of a City Council Protocols and Procedures Handbook June 2025).
2. Classification and Compensation Study (It should be noted that the Staffing Assessment Study proposed in the FY 24 25 budget was recommended to be reviewed during the upcoming mid year budget review process)
3. Community Center Fire Safety
4. Community Center Master Plan
5. Emergency Operations Center Assessment
6. Review Staff Support for Climate Action Committee
7. Review Staff Support for Public Arts Commission

Group 2: Council Approved Initiatives that Staff recommends be considered at the February 2025 Goals and Priority Setting Workshop:

These items have been approved by the full Council but given the relative importance of the items in group 1, and in recognition of the realities of limited staff time, staff is recommending that these items be considered in February.

1. Association of Bay Area Government (ABAG) Priority Development Grant: This project is still in the writing of the RFP stage. Staff is hoping to have the scope finished and RFP out by the end of the calendar year. The proposed scope of work for the PDA grant would review the zoning along Highway 116 commercial corridor to review and revise how the city regulates these areas to provide more flexibility for housing to be developed. As the city is currently working on the Sustainable Transportation Grant through Caltrans there is a possibility of combining these two grant opportunities as their focus area overlaps.
2. Economic Development (Staff is currently working on Economic Development such as: Barlow Hotel application and Development Agreement, restructure Planning Commission/DRB, and EIFD Project) This item would be reviewing additional economic development items in addition to those just noted.
3. Management Review of Admin Services (City is pursuing initial project of improving reporting of financial reports to include proposed restricting of budgets for better transparency (such as Public Works Department budget financial structure)
4. Pursue other revenue options (If the Council recommends at their September 3, 2024 Council Meeting pursuit of specific revenue options/separate agenda item)
5. Restructure Planning Commission - Design Review Board (this is captured under #2 above as an Economic Development project)
6. Water Master Plan. Staff will be sending out an RFP for an engineering firm to prepare the Water Master Plan in the next two or three months. The plan is estimated to be completed by December 2025.

Group 3: Initiatives Presented by Councilmembers, but not Currently Council Approved, which Staff recommends be considered at the February 2025 Goals and Priorities Setting Workshop:

These items have been proposed by one or more councilmembers, but have not yet received full Council support.

1. Arts and Wellness Market in the Redwood Marketplace parking lot
2. Assist in filling vacancies at Redwood Marketplace
3. Clean up of Downtown by doing the following:

- a. freshly painted and landscaped town Square
  - b. The pathway in Ives Park brought up to ADA compliance and a new fence
  - c. Graffiti & sticker removal
  - d. Garbage pick up on Main Street and the commercial corridor
  - e. Power washing sidewalks, window washing and new benches along Main Street
  - f. Decorating during the holidays
4. Event to celebrate Sebastopol based on our community strengths
  5. Increased Process for transparency: Publicly reporting quarterly updates on the water/sewer financial and infrastructure status. This item is related to Group 2 Item number 3 above regarding management review of administrative services
  6. Include an update on commercial water sales and whether the manual process being used by Public Works is accurate. It is recommended that staff review the process to determine if the current process is working; and if not; provide recommended changes and costs.
  7. Increased foot presence of police officers downtown.
  8. Light up Sebastopol - Holiday lighting competition with prizes
  9. Quarterly reports on storm water infrastructure for transparency.
  10. RFP for IT support
  11. RFP for Public Communications Contract
  12. Teen Memorial Labyrinth - Repair or Relocate
  13. SAFE

**INITIATIVES THAT ARE ON HOLD OR INACTIVE:**

The City currently has projects that are on hold or inactive as noted below. The Council has the discretion to amend the list below to make any of these items a priority project or projects. The items are listed in alphabetical order and not in any order of significance.

1. Barlow Townhomes Final Map and Housing Agreement: Planning Department will reach out to the developer on status of the Housing Agreement; The final map will be going through the Engineering Dept.
2. Calder Creek Naturalization
3. Evaluation of Records Management System
4. Hazard Mitigation Plan
5. Library video surveillance
6. Sewer Master Plan

**Consideration of Day to Day Operations:**

Day to day operations should be considered when the Council is determining the priorities for the next six months. Day to day operations include requirements to process applications for development, such as the Canopy project, Gravenstein Commons, Huntley Square, and the proposed hotel at the Barlow; each of these projects requires substantial staff time to process the application from receipt to completion. Other examples are contract management such as Map Your Neighborhood; completion of the Annual Financial Audit; Request for Proposal for Auditor Services; Review of County projects for impacts to Sebastopol; such as Sonoma County Transportation Authority (SCTA)/Fulton Road project, and Capital Improvement Projects as approved by the Council during budget hearings. The vast majority of staff time is spent on day to day operations – probably over 90% and a majority of management time is spent managing these operations. Sebastopol lacks the administrative and analytic staff common in other cities, which provides greater capacity to take on initiatives. Thus, this work is often conducted by the department heads, some of whom have multiple duties.

The City is in the midst of numerous transitions, partly at the Council level and also in executive management. By the end of 2024, the odds are good that fewer than half of the staff in executive-level positions will have been in their positions for over a year. Historical knowledge is key in maintaining the history of the City and key decisions, and with the departure of department directors, we expect our capacity to decline for some time. As we go

through this transition and our budget challenges we need to assess and create appropriate staffing. As noted above, the Staffing Assessment Study is to be reviewed during the mid year budget review.

Thus, staff ask that the Council consider both the ambitious nature of the scope of work identified as priorities, and staff's capacity. The City's executive team unanimously concur that we cannot complete all initiatives listed in this staff report in a quality way in the coming months. We also believe that adding projects before completing or removing some puts creates risk of delay or failure. As stated earlier, staff recommends that the Council not add any projects to the list without removing comparable projects or if priorities are added, that some current projects may be delayed.

Some final notes – Because ideas and opportunities arise throughout the year, it is appropriate to have a way for the Council to consider these and compare them to established priorities. We recommend that creating a process for this be included in any new version of the Council's protocols.

Additionally, goals and priorities can be useful in evaluating the performance of the City Manager. While the goals for that position are typically not identical to City-wide goals, the two are often related.

**COMMUNITY OUTREACH:**

This item has been noticed in accordance with the Ralph M. Brown Act and was available for public viewing and review at least 72 hours prior to schedule meeting date.

**FISCAL IMPACT:**

There is no fiscal impact associated with this item.

**RECOMMENDATIONS:**

That the City Council approve the recommended priorities for the next six months as proposed by staff as follows:

1. Affordable rental housing Monitoring - Contract with County for monitoring
2. Employee Negotiations
3. Enhanced Infrastructure Financing District (EIFD)
4. Fleet Assessment (This is assuming that the City Council approves the Contract Amendment). This is proposed as a priority due to the upcoming retirement of the Public Works Superintendent.
5. Fire Reorganization/Consolidation
  - a. Station Assessment
  - b. Evaluation of Expanded Coverage Options
6. Housing Element Implementation (Mandatory Requirements)
7. Public Education/Outreach for Sales Tax Ballot Measure U
8. Solid Waste Hauler Procurement
9. Sustainable Transportation Grant

And Direct Staff to Continue with Group 1 projects noted below:

1. City Council Protocols (This would be individual policies coming before the City Council with the estimate completion of a City Council Protocols and Procedures Handbook June 2025).
2. Classification and Compensation Study (It should be noted that the Staffing Assessment Study proposed in the FY 24 25 budget was recommended to be reviewed during the mid year budget review process)
3. Community Center Fire Safety
4. Community Center Master Plan
5. Emergency Operations Center Assessment
6. Review Staff Support for Climate Action Committee
7. Review Staff Support for Public Arts Commission

And

Review remaining priorities during the February 2025 Goals and Priority Session;

**OPTIONS:**

1. Review the attached list of priorities as submitted and confirm that they reflect your priorities, and if not, provide direction to staff for changes. If there are changes to the proposed list, it is recommended that additions, if any, to this list be considered only if there is a removal of a comparable project.
2. Not set priorities at this time and direct staff to work with Facilitator to include these with the February 2025 Goals and Priority Setting Workshop

**ATTACHMENTS:**

1. Draft Priorities Spreadsheet with Detailed Information

APPROVALS:

Department Head Approval: Approval Date: 8-26-2024

CEQA Determination (Planning): Approval Date: 8-26-2024

The proposed action is not a project under the California Environmental Quality Act (CEQA)

Administrative Services (Financial) Approval Date: 8-26-2204

Costs authorized in City Approved Budget:  Yes  No  N/A

Account Code (f applicable) \_\_\_\_\_

City Attorney Approval: Approval Date: N/A

City Manager Approval: Approval Date: 8-26-2024

CITY STAFF RECOMMENDED PRIORITIES FOR SEPTEMBER 2024 – FEBRUARY 2025

PRIORITIES						
	Responsible Department	Project	Level of Effort*	Status	Expected Completion	Notes
1	Planning	Contract with County for Monitoring Affordable Rental Housing	Low	Not started	End of 2024	Funding is approved in the FY 24 25 budget for monitoring.
2	City Management	Employee Negotiations	High	To begin late Fall	Contract expirations are December 2024	This is a priority but could be extended into the new calendar year if negotiations are not completed before contract term expirations.
3	Planning and Ad Hoc Committee	Enhanced Infrastructure Financing District	High	Ongoing		
4	Public Works	Fleet Assessment			Contract to be Awarded September 3 2024	Completion of Assessment to be finalized by December 2024
5	City Management/Fire Ad Hoc Committee	Fire Reorganization Station Assessment Evaluation of Expanded Coverage Options	High	In Progress	June 2025	This is a priority but will be extended into the 2025 Calendar Year with a completion date proposed of June 30, 2025
6	Planning	Housing Element Implementation	High		End of 2025	State mandate to complete 16 programs (such as zoning changes); 14 remain. Time requirement 200-300 hours, plus more time for smaller programs. Must demonstrate meaningful progress to avoid state sanctions which in worst case could include invalidating City's Housing Element and General Plan. This is a two year priority – Following items proposed to be accomplished within next six months
7	City Manager	Public Education/Outreach for Sales Tax Ballot Measure U	High	Set to begin September 2024	November 2024	City Manager to conduct educational outreach to various organizations.
8	City Management and Ad Hoc Committee	Solid Waste Hauser Procurement	High	On going	December 2024 for Award of Contract	This is a priority but will be extended into the 2025 Calendar Year with a completion date proposed of June 30, 2025
9	Planning	Sustainable Transportation Grant	Medium	In Progress		Proposed project and funding list due at end of 2025

\*Level of Effort: These are estimates of the amount of total staff time required to complete projects.  
 High = 50 hours or more. Medium = 20-50 hours. Low = less than 20 hours.

**Group 1: Council Approved Initiatives that Staff recommends be prioritized for the next 5 to 6 months**

<b>GROUP 1</b>						
	Responsible Department	Project	Level of Effort*	Status	Expected Completion	Notes
1	City Management/Ad Hoc Committee	City Council Protocols and Procedures	High	Began Process	June 2025	City Council review policies on an ongoing basis during City Council Meetings
2	Administrative Services	Classification and Compensation Study	Low	RFPs Out to Bid	October/November time frame	Solicited proposals from 8 firms Closing Date for RFP 8/27/24 Received 3 as of the writing of this report.
3	Public Works/Engineering	Community Center Fire Safety	Low	Quotes submitted	December 2024	Council review for approval to proceed September 17, 2024
4	Public Works/Ad Hoc Committee	Community Center Master Building Assessment Plan	High	Not yet started	June 2025	
5	Police	Emergency Operations Center Assessment		Began discussions with Sonoma County Office of Emergency Services		
6	City Manager/Planning	Review of Staff Support/Direction of Climate Action Committee	High	In Discussion		
7	City Manager/Planning	Review of Staff Support/Direction of Public Arts Committee	Low	In Discussion		

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**Group 2: Council Approved Initiatives that Staff recommends be considered at the February 2025 Goals and Priority Setting Workshop:**

<b>GROUP 2</b>						
	Responsible Department	Project	Level of Effort*	Status	Expected Completion	Notes
1	Planning	Association of Bay Area Government (ABAG) Priority Development Grant	Medium-High	RFP in Progress		Partially Implements Housing Element Program (WH Overlay). Opportunity to combine with Sustainable Transportation Grant to save costs, align community input & share background data
2	Planning	Economic Development		Will review once a		



				Community Development Director is hired.		
3	City Manager	Management Review of Administrative Services	Low			City is pursuing initial project of improving reporting of financial reports to include proposed restricting of budgets for better transparency
4	City Manager	Pursue Other Revenue Options		On Council agenda for Sep 3 <sup>rd</sup>		
5	City Manager/Planning department	Restructure of Planning Commission – Design Review Board				
6	Engineering	Water Master Plan	High	Not yet started	December 2025	

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Group 3: Initiatives Presented by Councilmembers, but not Currently Council Approved, which Staff recommends be considered at the February 2025 Goals and Priorities Setting Workshop:

	<b>GROUP 3</b>
	<b>Project</b>
1	Arts and Wellness Market at Redwood Market Place Parking Lot
2	Assist in Filling Vacancies at Redwood Market Place
3	Clean up of Downtown by Doing the following: a. freshly painted and landscaped town Square b. The pathway in Ives Park brought up to ADA compliance and a new fence c. Graffiti & sticker removal d. Garbage pick up on Main Street and the commercial corridor e. Power washing sidewalks, window washing and new benches along Main Street f. Decorating during the holidays
4	Event to celebrate Sebastopol based on our community strengths
5	Increased Process for transparency: Publicly reporting quarterly updates on the water/sewer financial and infrastructure status. This item is related to Group 2 Item umber 3above regarding management review of administrative services
6	Include an update on commercial water sales and whether the manual process being used by Public Works is accurate. It is recommended that staff review the process to determine if the current process is working; and if not; provided recommended changes and costs.
7	Increased foot presence of police officers downtown.
8	Light up Sebastopol - Holiday lighting competition with prizes
9	Quarterly reports on storm water infrastructure for transparency.

10	RFP for IT support
11	RFP for Public Communications Contract
12	Teen Memorial Labyrinth – Repair or Relocate
13	SAFE Program

INITIATIVES THAT ARE ON HOLD OR INACTIVE:

	Responsible Department		Level of Effort*	Status	Expected Completion	Notes
1.	Planning	Barlow Town Homes Inclusionary Agreement	Low	On hold		Waiting for applicant
2	Planning/Public Works/Engineering	Calder Creek Naturalization	Medium	On hold		California Urban Streams Program (CUSP) has reached out about upcoming grant opportunity for this project.
3	City Clerk	Evaluation of Records Management System	Medium	Initial Research Done/Needs further details		
4	Building	Hazard Mitigation Plan				
5	Police	Library Video Surveillance				
6	Public Works/Engineering	Sewer Master Plan	High	Not Started Yet		

\*Level of Effort: These are estimates of the amount of total staff time required to complete projects.  
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