



**City of Seal Beach
City Council Workshop
Held September 20, 2022**

September 2022

Management
Partners



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Workshop Report

The City of Seal Beach held a City Council goal setting workshop on Tuesday, September 20, 2022 from 9:00 a.m. to 3:00 p.m. at the Orange County Fire Authority Station 48. The workshop provided an opportunity for Councilmembers to celebrate recent successes, discuss current challenges, and identify top priorities for the remainder of FY 2022-23. This report contains a summary of the results of the goal setting session.

Special Advisor Rick Haydon and Principal Management Analyst Ashley Garcia with Management Partners facilitated the workshop.



Workshop Overview

Objectives

- Review key accomplishments and challenges
- Establish Council priorities for FY 2022-23

Participants

City Council

**Mayor
District 1
Joe Kalmick**



**Mayor Pro Tem
District 3
Mike Varipapa**



**Councilmember
District 2
Thomas Moore**



**Councilmember
District 4
Schelly Sustaric**



**Councilmember
District 5
Sandra Massa-Lavitt**



Executive Staff

- City Manager Jill Ingram
- City Attorney Craig Steele
- Assistant City Manager Patrick Gallegos
- City Clerk Gloria Harper
- Marine Safety/Lifeguard Department Chief Joe Bailey
- Finance Director Barbara Arenado
- Fire Division Chief (OCFA) Ron Roberts
- Community Development Director Alexa Smittle
- Police Chief Phillip Gonshak
- Interim Public Works Director Iris Lee

Agenda

- Welcome and call to order by the Mayor
- Public comments
- Comments from the Mayor
- Comments from the City Manager
- Introductory comments about the workshop
- Celebrate accomplishments and review challenges
- Introduction and context for goal setting
- Discuss and gain consensus on priorities for FY 2022-23
- Establish priorities
- Wrap up and next steps

Workshop Ground Rules

At the start of the workshop, the facilitator suggested several ground rules to help the group have a successful workshop.



- Listen to understand each other's point of view
- Seek consensus
- Assume good intent
- Speak up if we need course correction
- Stay focused

Workshop Preparation

In preparation for the workshop, Rick held individual interviews with each Councilmember and discussed workshop objectives with the City Manager and executive team. Management Partners prepared an agenda and PowerPoint presentation along with handout materials to guide discussions during the session.



Opening Comments

The workshop began with a welcome and call to order from Mayor Kalmick. The Mayor then opened the session to public comments and two members of the public spoke. The Mayor then gave opening comments, followed by City Manager Jill Ingram. Jill explained why the workshop was important and shared what she hoped the group would gain from the day's discussions. Then Jill handed the session over to the facilitators.

Rick reviewed the workshop objectives and agenda. Ashley then discussed the suggested ground rules for the workshop and the purpose of the bike rack, which is a time management tool. Ashley explained that items that would not receive immediate attention would be added to the bike rack. The following items were added to the bike rack during the workshop:

- Code enforcement staffing challenges,
- Outreach/awareness of external projects that impact residents,
- Add water conservation measures to biweekly newsletter, and
- Response to the public (ongoing).



City Civility Principles

Before the workshop began, City Clerk Gloria Harper reviewed the City's Civility Principles, which are as follows.

- Treat everyone courteously
- Listen to others respectfully
- Exercise self-control
- Give open-minded consideration to all viewpoints
- Focus on the issues and avoid personalizing debate
- Embrace respectful disagreement and dissent as democratic rights, inherent components of an inclusive public process, and tools for forging sound decisions

Setting the Context for Priority Setting

Accomplishments

The City Manager set the context for discussing and establishing strategic priorities. Rick then reviewed highlights of some of the City's recent accomplishments that were mentioned during Council interviews. The purpose of this discussion was to celebrate successes and reflect on the City's progress. Rick noted that a list of key accomplishments by department could be found in the workshop packet.

The City Manager then reviewed several slides that highlighted key accomplishments mentioned by City staff. The Mayor noted that another key accomplishment is the biweekly update that the City Manager provides to the public. Key accomplishments and challenges are provided in Attachment A.

City's Response to COVID-19

To further set the context for priority setting, the Assistant City Manager and Police Chief presented two slides that summarized the City's continued response to the COVID-19 pandemic. This led to a discussion about some of the following accomplishments.



- Transitioned to parklet enforcement, and seeking permanent program options
- Continued to improve online services
- Maintained City services amidst significant staff shortages due to illness
- Moved to virtual City Council meetings for continuity of operations
- Coordinated testing and vaccination response for City employees
- Authored comprehensive COVID-19 After Action Report
- Sought Disaster Cost Recovery for City through federal relief funds
- Coordinated procurement of personal protective equipment for City employees
- Messaged COVID impacts to the public through multiple outlets
- Assisted County of Orange with Incident Management team Point of Dispensing super sites
- Served as liaison to Orange County Health Care agency for information requests from community and Council members
- Enhanced electronic permit and development review processes to minimize in-person contact
- Completed the Small Business Economic Development Grant Program



Challenges

Rick then reviewed the key challenges mentioned during the Council interviews and the City Manager presented key challenges highlighted by City staff.

Additional Challenges Highlighted by City Staff

Finance Director Arenado discussed how the City had to reduce services by \$4.5 million this past year to balance the budget. She explained that while the City is currently healthy, inflation is at 8.3%, which may impact operation costs.

Community Development Director Smittle talked about advance planning, the housing element update, and not having enough human capital to process all the work. Further challenges were discussed, such as Assembly Bill 838, Senate Bill 6, Assembly Bill 11 related to zoning in addition to the short-term rental ordinance, and renewable energy mandates.

Interim Public Works Director Lee discussed the storm drain system, \$47 million in facility needs, \$10 million in capital needs (which were identified in the American with Disabilities Act Transition Plan) and an additional \$6 million in the Parks Master Plan. In addition, she mentioned streets and alley repair needs, and how the City is migrating to a lease platform for fleet needs. In essence, larger capital projects will be based on federal grants.

Police Chief Gonshak discussed impacts associated with Assembly Bill 481 use of military equipment mandate, Assembly Bill 490 use of force techniques, and Senate Bill 2 officer liability. In addition, he discussed the Covid After Action Report.

Introduction to Priority Setting

Staff Availability

To begin the priority setting segment of the workshop, Ashley gave an overview of staff availability to assist with new initiatives and Council priorities. Ashley highlighted the staff who are available to work on Council priorities, while reminding the group that they all have other ongoing responsibilities in their roles and assignments. Of the City's 149.7 full-time equivalent (FTE) positions, there are only 12 staff positions who can dedicate time to priorities.

Rick explained that the 12 staff positions who are available to work on priorities can only devote about 5% of their work time toward new initiatives. This equals about 1,500 hours, or less than one full-time employee.

The group reviewed the importance having Council and staff in alignment so they are moving in the same direction and properly serving the community. Ashley presented a refresher on why prioritizing is important, considering limited staff time and other resources. She explained that other benefits of priority setting include providing a consensus that drives operational decisions and measuring City performance.

Strategic Priorities

After a quick stretch break, the group reconvened to discuss each strategic priority established during the March 2021 Council workshop. The priorities were listed in a handout, which can be found in Attachment B. Priorities that Council agreed have already been addressed are highlighted below, followed by seven priorities that emerged for staff's focus for the remainder of FY 2022-23.

Priorities That Have Been Addressed

1. Fiscal Sustainability
 - A five-year general fund financial forecast is addressed by incorporating into the City's annual budget process
 - Staff will continue to explore the feasibility of reducing the City's pension liability and other long-term debt obligations
 - Review revenue generated from Measure BB has been made part of the budget process
2. Community Outreach and Capital Projects
 - Staff has addressed improving communication with the community through enhanced use of social media and other outlets
3. Capital Improvement Needs
 - City's capacity to address unmet capital improvement needs annually in the City's budget process
4. Sand Replenishment Plan
 - Supported efforts to proceed with Army Corps-funded Surfside-Sunset Beach Nourishment Project Stage 13. Additional needs are addressed in future budget process by way of CIP document.
5. Financial Software Upgrade
 - Implemented Tyler financial software

Existing Priorities that Remain for the Remainder of the Fiscal Year

1. Organizational Efficiencies
 - a. Implement new phone system
 - b. Develop an IT master plan
 - c. Provide update to City Council on development review/permitting process improvements

2. Capital Projects
 - a. Develop scope, cost, and financing options for McGaugh pool project
 - b. Implement incremental downtown enhancements and update Main Street Specific Plan
 - c. Discuss options for pier restaurant and conduct public outreach
3. Parklets
 - a. Adopt rules and regulations for permanent parklets (to address aesthetics and safety issues)
 - b. Make a decision about cost recovery
 - c. Conduct public outreach
4. Housing Element
 - a. Ongoing, high priority to get Housing Element certified by HCD and complete Zoning Code Update
5. Local Coastal Plan
 - a. Prepare implementation plan and conduct public review before City Council approval and Coastal Commission adoption (an ongoing priority); pending staff's availability after completion of the Housing Element
6. Address staffing needs
 - a. Update part-time lifeguard compensation plan
7. COVID-19 related activities
 - a. Complete required ARPA reporting
 - b. Identify use of remaining \$3.1 million, considering one-time capital needs

New Priorities

Additionally, Council members reviewed and discussed other key items that require significant staff time and other resources. These proposed new objectives fall under a new fiscal sustainability priority and are listed below.

Fiscal sustainability

- Identify funding options to address landscaping medians along the Pacific Coast Highway
- Explore alternative revenue sources and bring back individual items for Council consideration
- Identify funding options for Westminster bikeway and walking path

Staying on Course with Priorities

After the priorities were established, there was a discussion about what would help the Council/staff team stay on track, given limited staff and financial resources. Staff committed to providing progress updates to Council on a regular basis. To support the Council-staff partnership, Council will focus on the established priorities, and defer any new projects that would take staff and budget resources away from the established priorities to future goal setting sessions.



Wrap-up and Next Steps

To conclude the workshop, Rick explained that Management Partners would prepare this summary report. Councilmembers and staff offered closing comments and key takeaways from the day's discussions. A summary of these reflections is provided below.

Comments from Mayor and Council



City of Seal Beach

- We got a lot of work done; dealt with a lot of issues.
- Aggressive/ambitious program for staff.
- Council understands all the work may not be completed. It's beneficial for all of us to see how things work and what it takes to get there.
- Worst part of being a Council member is negotiating employee contracts with limited money.
- Glad to be back in person; it was pleasant.
- Hope that today staff was sent a clear message that they are appreciated, and we recognize your hard work.
- Goals and priorities are achievable, and we will work together to accomplish a good percentage of them.
- Interface in person.
- Thank you to staff, especially police, fire, marine safety during the pandemic. City was able to function during a difficult time. Thank you for all your hard work.
- Jill has done a fantastic job hiring. Great job in all departments.
- New phone system is a top priority.
- Looking forward to pension ideas to be presented and happy to hear about the staff engagement team.

Comments from City Staff

- I appreciate the time today. Staff works hard; employees are the fuel that drive projects. It is great to be back in person.
- Every year we learn more. We are resilient and continue to push forward.
- I appreciate City Council. It is a perk to see how dedicated you are to the constituents. I am honored to be part of the team.

- It was great to hear directly from City Council for direction. We will devote time to making it happen.
- I appreciate the cohesiveness of the group and the leadership of the City Council, City Manager, and department head team.
- It is great to be in person. An incredible amount of work was accomplished during COVID. I am impressed Council was able to set politics aside today, especially with an election coming up.
- Council's commitment to the City is evident. They have respect for staff, City Manager Ingram, and the executive team partnership.
- I have worked for the City for 16 years. I will miss the two Council members who are terming out. First line employees are appreciated. Thank you for the support.

The City Manager noted that it speaks volumes that the Council and staff are aligned when reviewing accomplishments and challenges. She thanked everybody for their participation and noted that there was good dialogue during the workshop. Jill said she appreciates City Council's mutual respect and commitment to the goal setting process, expressed optimism, and was thankful to be able to discuss non-COVID related items for the first time in almost two and a half years.

Attachment A – Key Accomplishments and Challenges

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Key Accomplishments Highlighted by Members of Council

- Maintained City operations during the pandemic
- Assisted our business district along Main Street by allowing outdoor dining
- Adopted a balanced budget and ended the year with a small surplus
- Hired an architect to design a new tennis center/pickleball facility
- Quickly distributed COVID relief funds to businesses
- Identified Community pool location (McGaugh School)



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Key Accomplishments Highlighted by Members of Council (continued)

- Completed Sand Replenishment Project
- Continued city services in light of key employee turnover
- Continued to address infrastructure needs and planning for future capital improvements
- Shifted some City services online
- Implemented a new financial software and utility billing system
- Transitioned back into live/active recreational programs



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Key Accomplishments Highlighted by Members of Council (continued)

- Communicated our water conservation efforts to the community
- Improved response time back to the public on concerns
- Brought animal control field operations in-house to reduce costs
- Enhanced parking enforcement in beach lots
- Police has done a good job in communicating with the public through social media
- The “Ask City Hall” program on the website has been beneficial



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Additional Key Accomplishments Highlighted by City Staff



- Timely delivered an adopted Housing Element to HCD, and initiated numerous related efforts:
 - Re-zoning and related CEQA
 - Airport Land Use Commission
 - Updates to the Safety Element and drafting of Environmental Justice Element
 - Ongoing coordination with HCD for certification
- Completed comprehensive cost recovery and fee study
- Coordinated partnership with the Orange County Housing Finance Trust
- Revised internal Community Development processes to streamline service, including changes to online building permit processes, addressing, licensing, document storage and organization, and reporting

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Additional Key Accomplishments Highlighted by City Staff (continued)



- Met challenging compliance for State mandates AB 1594 and AB 1826 for solid waste and organics requirements
- Utilized \$2.6 million phase one ARPA funding for capital improvement project at the Seal Beach Tennis and Pickleball Center
- Updated the City's Water Shortage Contingency Plan and adopted the Water Shortage Contingency Response Ordinance
- Secured approximately \$200,000 of Prop 68 Per Capita funding for park enhancements
- Completed installation of Office 365 citywide
- Created Community Pool Project Ad -Hoc Committee and Historic Resources Foundation
- Established partnership with the new non -profit Seal Beach Pickleball Association to enhance pickleball opportunities at the Tennis and Pickleball Center



Additional Key Accomplishments Highlighted by City Staff (continued)




- Implemented citywide improvements to IT services in order to provide many in -person services to residents and customers in a virtual environment
- Partnered with CSULB staff to create an Internship Program that will give university students the opportunity to gain local government experience while at the same time provide additional staffing resources
- Created a Staff Engagement Team to focus on staff morale, promote health and wellness, develop departmental relations and communication, connect staff to the community, and encourage professional development
- Maintained ongoing working group meetings and partnerships with the Los Alamitos USD, Leisure World/Golden Rain Foundation, Naval Weapons Station, and Chamber of Commerce




Key Challenges Highlighted by Councilmembers

- *Insufficient revenues* to sustain operational expenses, especially if a recession is on the horizon
- *Lack of funding* to do important capital projects (examples: pier restrooms, lifeguard building, IT improvements)
- Need to make a decision on the *parklets* and their aesthetics
- Upcoming *labor negotiations with employee bargaining groups* and ever-increasing costs of personnel and contractual services

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Key Challenges Highlighted by Councilmembers
(continued)

- Address *information technology security concerns* and finalize the IT Master Plan
- Responding to *unfunded mandates*
- Approval of our *Housing Element* and ability to address our regional housing needs allocation numbers
- Approval of our *Local Coastal Plan*
- Potential *controversial land-use projects*

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Additional Key Challenges Identified by Staff

- Financial Resources Concerns
- Aging Infrastructure
- Increased Demand with Lean Staffing
- Police Reform
- Substantial Advanced Planning Work
- State Mandates
- COVID-19 Recovery
- City Brand and Identity
- New Finance System Post-Launch Challenges
- Growth in Recreation and Events and related costs

Attachment B – Strategic Priorities



City of Seal Beach

City Council Workshop September 20, 2022 Strategic Priorities Status Report

Introduction: This document contains the status of the strategic priorities established at the City Council workshop held March 31, 2021, as well as several other key items requiring significant staff time and resources. This report will be discussed during the September 20, 2022 Council goal setting workshop. The objective of the discussions about priorities will be for the Council to establish their top priorities for focused attention during the remainder of FY 2022-23 so that resources can be aligned with those.

Factors to Consider: There are several factors to consider when establishing priorities:

- Is it financially feasible and sustainable?
- Is there sufficient staff capacity to successfully implement and sustain it?
- How does it relate to the City's core services and how does it impact those?
- Is it in alignment with the City's long-term goals?

Table 1: Status of March 2021 Strategic Priorities

Table 2: New Proposed Priorities

Table 1: Status of March 2021 Strategic Priorities

Category	Strategic Priority	Councilmember Comments	Significant Work Underway and Planned for Remainder of FY 2022-23	Recommend Keeping as a FY 2022-23 Strategic Priority	
				Yes	No
1. Fiscal Sustainability	1. Develop a 3-to-5-year general fund financial forecast to inform Council regarding the financial condition of the City as part of the annual budget	The need for a five-year financial forecast can be removed as staff should be addressing this annually by incorporating it into the City's budget process	<ul style="list-style-type: none"> Has been addressed and was presented in the FY 2022-23 Budget; will be incorporated in future budgets. 		X
	2. Study the feasibility of reducing the City's pension liability and other long-term debt obligations, including an analysis of issuing pension obligation bonds (POB)	Continue to explore the feasibility of pension obligation bonds	<ul style="list-style-type: none"> In Process (CalPERS presentation at 9/12/22 Council meeting). 		X
	3. Review revenue generated from Measure BB, history of expenditures, and spending plan going forward	Has been made part of the budget process	<ul style="list-style-type: none"> Has been addressed and will be included in FY 2022-23 budget documents and 5-Year Financial Forecast. 		X
2. Organizational Efficiencies*	1. Assess the existing phone system, identify deficiencies and solicit proposals for replacement	A new phone system is warranted as it impacts how we do business	<ul style="list-style-type: none"> Project team formed to assess, develop a Request for Proposals (RFP) and implement a new phone system. Vendor selected to draft/manage RFP process. RFP to be finalized and published mid-September. Anticipate recommending RFP award to Council in October/November 2022. 	X	

Category	Strategic Priority	Councilmember Comments	Significant Work Underway and Planned for Remainder of FY 2022-23	Recommend Keeping as a FY 2022-23 Strategic Priority	
				Yes	No
2. Organizational Efficiencies* (continued)	2. Develop an IT Master Plan and Needs Assessment, to include the identification of software improvements	An IT Master Plan remains a need; IT security is a concern; a hardware/software audit might be in order	<ul style="list-style-type: none"> A comprehensive IT Master Plan remains in progress. The IT Working Group is currently adopting more immediate objectives which include eliminating points of failure in all critical Citywide IT infrastructure, enhancing the security of the IT environment, and improving efficiency via automated processes and leveraging data driven approaches to guide decision making. 	X	
	3. Prepare and present assessment of City's development review and permitting process and identify possible process improvements	Concerns about length of time for City to issue permits and for the permitting process	<ul style="list-style-type: none"> Has been addressed. This assessment resulted in the purchase of a new land use management system, Energov, which is a Tyler Technologies product like the new financial system. Energov implementation is underway, with the first phase "assess and define" completed, the vendor is currently customizing the software for use. The next phase includes creating connectivity with historical records and other software for mapping and digital mark up of plans. Staff is currently obtaining quotes for these supplementals and will be preparing contracts for Council review this Fall. The final phase involves training and testing which should be completed by the end of the fiscal year. As an interim solution while Energov is built and deployed, staff has modified web pages, instructional materials and forms for ease of digital interaction. Virtually all building plan checks are now submitted digitally, which has been well received by the development community. 	X	

Category	Strategic Priority	Councilmember Comments	Significant Work Underway and Planned for Remainder of FY 2022-23	Recommend Keeping as a FY 2022-23 Strategic Priority	
				Yes	No
3. Community Outreach and Capital Projects	1. Improve communication with the community through enhanced use of social media and other outlets	<ul style="list-style-type: none"> Police Department is doing a good job However, the rest of the City needs to engage the community more especially when public input is needed on important capital and financial matters 	<p>Has been addressed based on the following efforts:</p> <ul style="list-style-type: none"> Inter-departmental social media training completed and facilitated by PD media staff. “Ask City Hall” continues to be a popular means of reaching staff by residents and was recently improved. New features include data tracking of inquiries and more of a focus on response times. New biweekly City Manager newsletter distributed to Council, staff and available on City website. SBPD Twitter, Instagram, Facebook, and Nixle Alert systems updated. SBPD Policy and Procedures manual posted online. Press Releases uploaded to the website when sent. Sun Newspaper “Briefing Room” articles published weekly with citywide information. Public Works partnered with regional agencies (i.e., OC San, OCTA, OCWD) to conduct in-person/virtual public workshops, email/text message blasts, and regular literature distribution for construction activity awareness. Public Works has used available media outlets (i.e., Leisure World Newsletter, Shoreline Recreation Guide, door-to-door construction notice distribution) to disseminate information and will continue to explore possible City-wide and department-based social media accounts. Community Services launched new accounts in Dec 2021 and Jan 2022. Followers as of 8/17/22: <ul style="list-style-type: none"> Instagram – 663 Facebook Page – 67 Nextdoor – 13,000 (entire service area for platform) Instagram insights from the past 30 days 		X

Category	Strategic Priority	Councilmember Comments	Significant Work Underway and Planned for Remainder of FY 2022-23	Recommend Keeping as a FY 2022-23 Strategic Priority	
				Yes	No
3. Community Outreach and Capital Projects (continued)			<ul style="list-style-type: none"> ▪ Reached 3,821 users which is a 772% increase from the previous cycle ▪ 137 users engaged which is a 101% increase from the previous cycle ▪ 4.2% increase in followers • Marine Safety has designated a lead social media representative, with the goal of posting once per week. We have increased our following tenfold over this summer. • Staff has been more actively participating in community events via the Pop-Up City Hall booth and engaging with community organizations more directly to enhance events that are co-hosted or supported by the City (e.g., Leisure World Health Expo). • Increased the number of presentations given to community groups such as the Sunshine Club in Leisure World and the Chamber of Commerce Breakfasts. 		
	2. Compile results of community outreach from stakeholder committee and schedule a presentation for Council on preliminary scope, project cost and options to finance the Community Pool	City needs to clearly define the scope of work and financial parameters, and have staff work more closely with the consultant	<ul style="list-style-type: none"> • Council-approved initiating McGaugh Pool feasibility study. • Council created Ad-Hoc Pool Project Committee. • Acting Public Works Director and Assistant City Manager working closely with consultant on the project scope of work. • Recreation swim was free this summer to increase pool use and engage the community. This resulted in a large increase in daily pool use. 	X	

Category	Strategic Priority	Councilmember Comments	Significant Work Underway and Planned for Remainder of FY 2022-23	Recommend Keeping as a FY 2022-23 Strategic Priority	
				Yes	No
3. Community Outreach and Capital Projects (continued)	3. Undertake community outreach with stakeholder; Staff to solicit and present design concept for Downtown street/sidewalk enhancements	Downtown enhancements still need to be addressed	<ul style="list-style-type: none"> In process. Stakeholder committee reconvened after COVID pandemic delay. Staff is addressing parklets, parking, shuttle transportation, and intersection improvements as separate projects. 	X	
	4. Engage community in a discussion about whether or not to allow a restaurant at the end of the Pier	Need to engage community and discuss possible options before any Council decision is made	<ul style="list-style-type: none"> In process. Staff hired a real estate professional to evaluate options including a built in-place restaurant, modular buildings, mobile trailer units, and food trucks. Next step is for staff/consultant to present an update of options to Council and various options for public outreach. Anticipated options to be presented in October. 	X	
4. Parklets	<ol style="list-style-type: none"> Decide on permanent consideration of dining parklets, need to establish plan and secure Coastal Commission approval Develop a plan that considers design, construction and operating costs, locations, number of parking spaces, etc. 	<ul style="list-style-type: none"> Need to develop aesthetic guidelines Make a decision on cost recovery for parklets Get community input before making a decision on permanent parklets 	<ul style="list-style-type: none"> This item was discussed at the September 12 City Council meeting. The temporary program has been successful and direct costs of barrier rental have been shifted to business owners. Staff is currently working to draft rules and regulations for parklets (to address aesthetics and safety issues) if they were to stay in place, including obtaining cost estimates for permanent parklet construction and determining if owners would accept a rental fee based upon hard costs and overhead/enforcement expenses. Staff is also pursuing grant funding to pilot a micro-transit program in Old Town, which may be a solution to the parking loss created by the parklets. 	X	

Category	Strategic Priority	Councilmember Comments	Significant Work Underway and Planned for Remainder of FY 2022-23	Recommend Keeping as a FY 2022-23 Strategic Priority	
				Yes	No
5. Housing Element	1. Address the concerns of HCD to get the Housing Element Adopted and address the mandated by State to accommodate 1,243 units.	Need a status update and not sure how the City will accommodate 1,243 units	<ul style="list-style-type: none"> The adopted Housing Element was not certified by HCD, and the City was without consultant help between December 2021 and July 2022. Staff has been working directly with HCD to make changes that will put us in compliance, and we have recently found another project manager to provide some additional assistance. HCD states our analysis does not adequately demonstrate that the RHNA can be met because most sites are developed and no proof of viability has been included in the document. Further, as the City does not have a track record of redevelopment, HCD is questioning site adequacy without substantial changes in policy to accommodate growth. Additional resources are necessary, specifically a series of financial analyses to demonstrate the feasibility of housing development at the selected sites. Further outreach to the property owners is also necessary. HCD is looking for letters of interest to support the likelihood of housing development. Additional and substantive programs to incentivize housing are in development with direction from HCD that the Council will need to consider. These include financial incentives/fee reductions, increased density bonuses, and inclusionary zoning. Additional policies or zoning changes may need to be incorporated based on the result of the financial analyses, including increases in height limits and reductions in minimum unit sizes. The Zoning Code Update, which is a critical implementation tool for the Housing Element, is underway. The deadline for this effort is October 15, 2022; however, the City will not meet it. The zoning 	X	

Category	Strategic Priority	Councilmember Comments	Significant Work Underway and Planned for Remainder of FY 2022-23	Recommend Keeping as a FY 2022-23 Strategic Priority	
				Yes	No
5. Housing Element (continued)			itself will need to align with the Housing Element work, which is ongoing. Further challenges arise from the lack of available CEQA consultants. The City has yet to obtain a formal proposal for the EIR that must accompany the zoning update, though one firm has verbally agreed to provide a proposal. The preliminary cost estimate is \$350k-\$400k and will take approximately one year to complete.		
6. Local Coastal Plan	1. Complete the land use plan, prepare implementation plan, and conduct public review before City Council approval and Coastal Commission adoption.	Need a status update	<ul style="list-style-type: none"> The Local Coastal Plan is in process. The project manager is continuing to draft the Implementation Plan, and portions are under staff review. Staffing shortages and substantial competing priorities are impacting progress on this issue. Public review and City Council approval timeline is unknown, but it will not be prior to summer 2023. 	X	
7. Capital Improvement needs	1. Identify unmet capital improvements needs, focusing on extraordinary maintenance of facilities and equipment.	City's capacity to address unmet capital improvement needs should be addressed annually in the City's budget process; some interest in a capital improvement program longer than five years in length	<ul style="list-style-type: none"> Has been addressed as staff has identified some of the following unmet capital improvements in the General Fund: <ul style="list-style-type: none"> Storm Drain – West End Pump Station is in need of upgrades. Buildings – 2011 Facility Condition Assessment identified over \$47 million (2017 dollars) of improvement costs; however, only a limited number of smaller scale upgrades have been made. Parks – 2013 Parks and Community Master Plan recommends a number of unfunded improvements. ADA – the City is required to fulfill Title II of ADA requirements. Draft financial plan shows over \$10 million of ADA improvements required. 		X

Category	Strategic Priority	Councilmember Comments	Significant Work Underway and Planned for Remainder of FY 2022-23	Recommend Keeping as a FY 2022-23 Strategic Priority	
				Yes	No
7. Capital Improvement needs (continued)			<ul style="list-style-type: none"> In addition to the above: <ul style="list-style-type: none"> The Water/Sewer rates were adjusted in 2021 to support near-term water/sewer infrastructure needs. However, rates will need to be revisited to determine if revenues/expenditures are consistent with rate model. Beach/Pier – Aside from Stage 13, there is not an established sand replenishment/pier inspection and maintenance fund for incidental needs. 		
8. Sand replenishment plan	<ol style="list-style-type: none"> Support efforts to proceed with Army Corps-funded Surfside-Sunset Beach Nourishment Project Stage 13 	Has been adequately addressed	<ul style="list-style-type: none"> Has been partially addressed through the successful partnership with Representative Steel, County of Orange, Huntington Beach, Newport Beach, and Surfside; Stage 13 sand replenishment has been federally funded. We are currently working with State Parks on an agreement to fund the matching component. Seal Beach/Surfside’s component is anticipated to be a nominal amount; however, we will plan for future sand replenishment needs in the CIP document. Ongoing East Beach Sand Replenishment Needs will be addressed in future budget process by way of the CIP document. 		X
9. Address staffing needs	<ol style="list-style-type: none"> Analyze new compensation plan and pay structure for part-time employees to bring forward to the Council for consideration. Hire new Management Analyst 	Compensation and pay structure still need to be updated	<ul style="list-style-type: none"> Staff anticipates bringing part-time compensation and pay structure recommendations to Council for their consideration in October. Staff working to identify funding sources for part-time employee pay increases for Marine Safety. New Management Analyst was hired. 	X	

Category	Strategic Priority	Councilmember Comments	Significant Work Underway and Planned for Remainder of FY 2022-23	Recommend Keeping as a FY 2022-23 Strategic Priority	
				Yes	No
	to assist with IT Master Plan and IT project implementation.				
10. COVID-19 related activities	<ol style="list-style-type: none"> 1. Initiate the Main Street communal dining program (Al Fresco at Eisenhower Park). 2. Assist with the distribution and delivery of Senior Meals. 3. Facilitate the Small Business Economic Development Grant Program (77 grants issued to date with 22 additional by end of March 2021). 4. Report all financial information for all COVID-19 funding sources (FEMA, CARES, CDBG-CV, County General Fund, etc.). 5. Track time related to COVID-19 for payroll and reimbursement purposes. 6. Implement the State Reopening Plan. 	Needs to be addressed a little longer and a decision needs to be made on the use of the remaining ARPA funding with consideration given to one-time capital expenses	<ul style="list-style-type: none"> • Items Completed: <ul style="list-style-type: none"> ○ Eisenhower Park dining was successful and completed. ○ Small Business Economic Development Grant Program completed (144 checks issued in two rounds for a total amount of \$556,976). ○ State reopening plan implementation was completed. ○ Completed tracking of time related to COVID-19 for payroll and reimbursement purposes. ○ Completed financial reporting for all COVID-19 funding sources (FEMA, CARES, CDBG-CV, County General Fund, etc.) • Ongoing Items: <ul style="list-style-type: none"> ○ Senior meal delivery has been ongoing for qualified residents, with grab-and-go meals available for others; staff is working closely with Meals on Wheels to continuously adapt services as needed, including planning for a transition back to congregate meals. ○ FEMA/ARPA financial reporting ongoing. ○ Need to identify the use for the remaining \$2.5M in ARPA funding. 	X	

Category	Strategic Priority	Councilmember Comments	Significant Work Underway and Planned for Remainder of FY 2022-23	Recommend Keeping as a FY 2022-23 Strategic Priority	
				Yes	No
10. COVID-19 related activities (continued)	7. Assist vaccine administration with the assistance of Marine Safety and Police Department.				
	8. Procure PPE, sanitization, technology, etc.				
11. Financial software upgrade	1. Implement the Tyler financial software	Has been adequately addressed	<ul style="list-style-type: none"> Implementation is complete. Performing user review. 		X

*The category of Organizational Efficiencies was previously entitled Organizational Culture but has been renamed to reflect the actual work involve

Table 2: New Proposed Priorities

Proposed Priority	Significant Work Underway and Planned for Remainder of FY 2022-23	Recommend Adding as a FY 2022-23 Strategic Priority	
		Yes	No
Address landscaping median along Pacific Coast Highway	<ul style="list-style-type: none"> • Explore the possibility of a Community Facility District (CFD) to fund improvements • Private donors and/or partnerships with adjacent businesses and community members • Continue to look for viable grant opportunities 		
Develop consistent citywide water conservation measures	<ul style="list-style-type: none"> • Conservation measures are largely based on recently adopted Water Shortage Contingency Plan and Ordinance. Residents and businesses will be more familiar with conservation measures as more educational outreach is conducted • Continue to monitor State mandates and communicate them as soon as they are released 		
Establish customer service standards regarding response back to the public	<ul style="list-style-type: none"> • Staff has discussed this item and it has been adequately addressed as we have a 24-hour response practice in place 		
Explore alternative revenue sources that do not impact local residents	<ul style="list-style-type: none"> • Staff continually look for grants that may be available to the City of Seal Beach. These are one-time dollars that are useful but do not pay for ongoing services and the associated cost increases (e.g., pension, operating expenses, etc.). Competitive grants for projects are difficult to obtain due to the economic constitution of Seal Beach residents. Many grants prioritize low-resource communities. • Potential sources could include raising the transient occupancy tax (TOT) from the current 12% to something higher (each 1% increase could bring in approximately \$100,000) • Evaluate options to redesign the business license tax structure to address inequities and update city code. The current structure is a flat fee generating approximately \$500,000 a year. An updated structure could be employee-based or determined on gross receipts generating an estimated \$100,000-300,000 in additional revenue, subject to voter approval. 		

Proposed Priority	Significant Work Underway and Planned for Remainder of FY 2022-23	Recommend Adding as a FY 2022-23 Strategic Priority	
		Yes	No
	<ul style="list-style-type: none"> • Parking Meters • Examples of revenue sources that do not involve taxing residents include attracting large sales tax producing companies, new hotels, automotive dealers or cannabis businesses. • Examine and review options for potential increased TOT revenue for newly permitted short-term rentals 		
Fund the Westminster bikeway and walking path	<ul style="list-style-type: none"> • Golden Rain Foundation (GRF) indicated a potential use for the site. The City has shared previously drafted concept plans and will discuss partnership opportunities. • Consider allocating additional matching funds to make future grant applications stronger. • This project has already been discussed with our grants consultant and will continue to seek grant funding opportunities. 		