



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 02/13/2024

ITEM NO: 1

DATE: February 9, 2024
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Affirm and/or Refine Existing Strategic Priorities and Determine the Priorities for New Ordinances.

RECOMMENDATION:

Affirm and/or refine existing Strategic Priorities and determine the priorities for new ordinances.

BACKGROUND:

Every year, the Town Council considers its Strategic Priorities for the next two years. In past years, Strategic Priorities consisted of specific policy efforts that could be completed within a relatively short time frame of a few months. More recently, Strategic Priorities have evolved to address more complex, on-going issues facing the Town that may involve multifaceted approaches (see Attachment 1). The Strategic Priorities are organized under the major topics of Safety, Prudent Financial Management, Quality of Life, and Traffic/Transportation. Per Council direction, the depiction of the Priorities shows the interconnectedness of the major topics.

The Council's identification of Strategic Priorities is a critical step in the budget process for the next fiscal year by determining the policy priority areas. The Strategic Priorities also guide the work of the Town's Boards, Commissions, and Committees.

The goal of the session is to affirm and/or refine existing Priorities. Dr. Shawn Spano will be facilitating the session. Given the work that is underway with existing Priorities, the Town organization has no staff capacity to add new items on top of the existing ones; however, there is capacity for refinements of existing Priorities as discussed in this report. In addition, the Town has limited financial capacity to add significant new items.

This report discusses the Town's existing Strategic Priorities, accomplishments, work in progress, opportunities for refinements, and a list of recommended ordinances.

Reviewed by: Town Manager, Assistant Town Manager, Town Attorney, and Finance Director

SUBJECT: Affirm and/or Refine Existing Strategic Priorities and Determine the Priorities for New Ordinances.

DATE: February 9, 2024

DISCUSSION:

Existing Strategic Priorities and Context

The Town of Los Gatos is a beautiful community, situated at the base of the Santa Cruz Mountains, where people enjoy a good quality of life with opportunities to thrive. The Town government is responsible for providing a range of municipal services under the leadership of the Town Council. The government services are Public Works, Parks, Library, Police, and Community Development with the necessary support services of Information Technology, Finance, Clerk, and Human Resources. The Town Manager's Office leads and guides these administrative duties and closely collaborates with the Town Attorney's Office to support the work of the Town Council. From the Council's priority setting, the work of the Town Departments and Commissions is aligned to meet these Priorities.

The Town's municipal services are critical to ensuring and maintaining the special characteristics of Los Gatos (or "Core Goals") of Public Safety, Quality Public Infrastructure, Community Character, Fiscal Stability, Civic Engagement, and Good Governance. In 2022, the Town Council redefined the Core Goals of the Town of Los Gatos. The Goals inform the Council's adopted Budget and Capital Improvement Plan as well as the Strategic Priorities. For each Core Goal, a key projects and performance/activity metrics are identified in Attachment 2.

The existing Strategic Priorities (Attachment 1) are organized under the major topics of Safety, Prudent Financial Management, Quality of Life, and Traffic/Transportation.

As a service organization, each Department devotes approximately 90% of its staff time and other budget resources providing municipal services to the community. The remaining 10% or so of Department resources are allocated to special projects, such as Strategic Priorities. All of these services and projects are supported by the Town's Operating and Capital Improvement Budgets.

This 10/90 split can be depicted through an "iceberg" model (see Attachment 3) to depict the strategic work of the Town (10%) and the vast amount of "under the water line" work of the Town organization, including new work absorbed through unfunded State mandates. This model may prove useful for the Town Council because in some instances, the completion of a Strategic Priority may mean that the related ongoing work has become incorporated into the base budget and fundamental operations of the Town. From staff's perspective, this could be said of the Town's efforts with community policing.

SUBJECT: Affirm and/or Refine Existing Strategic Priorities and Determine the Priorities for New Ordinances.

DATE: February 9, 2024

DISCUSSION (continued):

Accomplishments

Several items were accomplished during 2023, including the:

- Firm foundation of community policing (now an integral part of the Town's operations)
- Endorsement of the Senior Services Roadmap
- Completion of all semi-permanent parklets
- SB 9 implementation
- Economic vitality changes to the Town Code
- Acceptance of the Diversity, Equity, and Inclusion Plan
- Implementing a pilot hotel program for unhoused residents
- Installing a temporary public restroom at Plaza Park
- Alignment of Town Commissions with Strategic Priorities
- Updated Transportation Impact Fee and related documents

While these accomplishments address the larger efforts, Town Departments continue to make great strides at a more detailed level. These finer grain accomplishments include, and are not limited to:

- Rebranding the Annual Tree Lighting to a more inclusive and diverse Winter Celebration
- Developing Library programs in partnership with local non-profits (e.g., Plant-Based Advocates)
- Offering new services, such as weekly County Behavioral Health drop-in navigation hours at the Library
- Installing a back-up battery at the Library
- Completing an Emergency Procurement Policy
- Obtaining grant funding from the County for senior and unhoused resident services

Work in Progress

There are important efforts underway in each category. A summary of key projects can be found in Attachment 2. For **Traffic/Transportation**, these efforts include wayfinding for downtown parking; continuing to implement employee parking in the downtown and Olive zone; several active transportation improvements that are in the design and/or bidding phase; and traffic safety using the new federal grant.

Under **Prudent Financial Management**, the Town continues to put funding aside for future pension and Other Post-Employment Benefits obligations; the Finance Commission is discussing the Five-Year Forecast and would be involved in a potential revenue measure pending Town Council direction; and the Town is continuing to work through its property portfolio, including the potential transfer of New York Avenue and other streets to the High School District.

SUBJECT: Affirm and/or Refine Existing Strategic Priorities and Determine the Priorities for New Ordinances.

DATE: February 9, 2024

DISCUSSION (continued):

With respect to **Safety**, the Police Department has made great strides in many aspects of public safety as discussed at the January 16, 2024 Council meeting. In addition, the Town is continuing to manage roadway vegetation to reduce the Town's risk of wildfire and seek funding for a siren system as identified in the Ad Hoc Wildfire Mitigation Plan. Emergency preparedness activities, including Community Emergency Response Team (CERT) recruitment and training, are ongoing.

A variety of efforts are underway in the **Quality of Life** category. Housing Element certification remains a top priority of the Town with the Council continuing its work. The Town's Economic Vitality efforts are strong with the continued, extraordinary rebounding of community events and technical assistance to businesses seeking to locate or expand in Los Gatos. Town staff continue to enhance the variety of communication methods with the community to foster engagement in Town projects, including but not limited to Farmers Market booths, expanded social media presence, website redesign, and pushing out information regarding community workshops, Council meetings, and other participation opportunities.

Opportunities for Refinements

Attachment 4 contains Draft 2024-2026 Strategic Priorities as a starting point for Council discussion, removing the items that have been completed. Staff also suggests removing Affordable Housing Partnerships as this would be part of the work associated with the Housing Element Implementation. General Plan 2040 Implementation is included due to the need to resolve the Land Use and Community Design Element Referendum after Housing Element certification per prior Council direction.

The Council is welcome to refine the existing Priorities, clarify its objectives, and/or provide additional direction.

List of Ordinances

During the last calendar year, the Town Attorney worked with Departments and Commission(s) to complete the following major ordinances:

- Accessory Dwelling Unit
- SB 9
- Economic Vitality
- Ebike
- Concealed Carry Weapons (CCW)

SUBJECT: Affirm and/or Refine Existing Strategic Priorities and Determine the Priorities for New Ordinances.

DATE: February 9, 2024

DISCUSSION (continued):

- “Sensitive places” (prohibiting CCW’s at specified locations)
- Bingo ordinance

In coordination with all Town Departments, the Town Attorney has provided a list of potential ordinances to amend the Town Code:

- 1) Sign ordinance update
- 2) “Free speech zone” ordinance to provide specified locations for demonstrations
- 3) Updating existing peddler ordinance to comply with current state law re: street vending
- 4) Updating organic waste ordinance to comply with state law and solid waste JPA requirements

The Council is welcome to adjust the priorities for this work.

Priority Setting Process

Dr. Shawn Spano will be facilitating the Strategic Priorities Session. After verbal communications, he intends to:

1. Ask each Council Member to identify one or two top accomplishments of 2023,
2. Have the Council consider the prioritization of the ordinances,
3. Review the existing Strategic Priorities (Attachment 1), and
4. Affirm and/or refine the current Strategic Priorities (Attachment 4).

CONCLUSION AND NEXT STEPS:

The completion of the Strategic Priorities aligns the work of the Town Departments, Boards, Commissions, and Committees. The Council’s affirmation of existing Priorities and any refinements inform the preparation of the Proposed Fiscal Year 2024/25 Operating and Capital Budgets for Council consideration in May.

PUBLIC COMMENTS:

Attachment 5 contains public comments received prior to 11:00 a.m. on Friday, February 9, 2024.

COORDINATION:

The preparation of this report was coordinated with all Town Departments.

PAGE 6 OF 6

SUBJECT: Affirm and/or Refine Existing Strategic Priorities and Determine the Priorities for New Ordinances.

DATE: February 9, 2024

FISCAL IMPACT:

The work of this session together with the Council's budget direction in February informs the preparation of the upcoming Fiscal Year 2024/25 Operating and Capital Budgets. The Priority setting session itself has no fiscal impact.

ENVIRONMENTAL ASSESSMENT:

The Council's work associated with Strategic Priorities is not a project defined under CEQA, and no further action is required.

Attachments:

1. 2023-2025 Strategic Priorities
2. Los Gatos At-A-Glance
3. Iceberg Model
4. Draft 2024-2026 Strategic Priorities
5. Public Comments received prior to 11:00 a.m. on Friday, February 9, 2024