

# 2017 Strategic Plan Review

May 2018

<b>Goals/Strategies/Objectives</b>	
<b>Goal A: Strengthen Financial Stability</b>	
<i>Strategy 1(a): Maintain a Balanced Budget</i>	
<u>Objectives</u>	Comments/Status
Ensure ongoing revenues support ongoing costs.	The annual budget is prepared using a budget balancing spreadsheet to ensure on-going revenues support on-going costs. The City is working to implement key development projects to expand the City's revenue base to support service levels. In addition, cost containment remains a priority. Public Works will be beginning a sewer rate study to ensure funding is sustainable for ongoing operations and proposed capital projects out into the future.
Ensure one-time revenues fund one-time expenditures.	Each year, one-time revenues are identified as part of the annual budget process and applied to one-time costs including topping up reserves and funding capital and other needs. In addition, using one-time funds, the City established an IRS Section 115 Pension Trust as a vehicle to mitigate future increases in employee retirement contributions. General Plan Update fees are now being placed into a separate project deposit account based on actual fees collected with related General Plan updates being charged from the same account.
Restructure debt where possible to reduce near term debt payments.	Staff evaluates opportunities to restructure debt as they arise. Refinancing of former redevelopment agency bonds have been explored and require resolution of Department of Finance related issues before proceeding.
Continue a formal volunteer program to help various departments.	The Police Department's annual Citizens Academy is our primary source of volunteers. In addition, volunteers are utilized in special projects like the recent and on-going renovations of the Ohlone and Foxboro Community Centers. The Parks & Recreation Nonprofit program also results in volunteer support of special events like the community clean-up day and the Holiday Tree Lighting. In addition, volunteers are a key element of the City's new three tier Code Compliance program which is also being supported with some contract services. P&R also has an "Adopt a Park/Adopt a Trail" program. Residents with an interest in a particular park or trail can volunteer their time to help clean up the park or trail by pulling weeds. Bags are provided, and picked up by City personnel. There are also volunteers that work in the Senior Center on a daily basis.

Consider new ways to deliver municipal services in more cost-effective ways.	The City looks for opportunities on an on-going basis. Most recent examples include the successful outsourcing of Business License processing; a three party partnership for CAD/RMS with Pinole and San Pablo; and a pending transition to the County for reinstatement of Cable Broadcasting services on a new separate City Channel. The City will be looking into “bundling” street projects with other agencies to be more cost-effective.
Consider service-sharing with other communities when mutually beneficial.	The CAD/RMS contract with Pinole and San Pablo, pending contract with the County for Cable, and updated three party BART/WestCAT/City contract for operation of the Hercules Transit Center have been implemented in the past year. The WWTP is shared with Pinole and the outfall is also jointly shared with the Rodeo District. The City participates with 20 other agencies in the Clean Water Program for the City’s storm water permit.
<i>Strategy 1(b): Balance the Budget and Increase Revenues</i>	
<u>Objectives</u>	
Review all Parks and Recreation fees before mid-year budget review.	The Finance Commission is engaged in a soon to be completed review of Parks & Recreation programs. Initial results were available at the time of the mid-year budget review. In addition, staff have modified and implemented modifications to a number of Parks and Recreation fee components with positive outcomes such as with Childcare programs.
Consider cost effectiveness of increasing code enforcement activities.	The City has launched a new three-tier code compliance program which seeks voluntary compliance initially, followed by use of Administrative Citations, and then for the most egregious cases, the Nuisance Abatement Process. Coordination with a consultant to get them the baseline information, have them finalize volunteer training program, and start getting involved in some difficult cases started in March. IT department has set up a shared network drive for police/planning/building departments to share basic information across departments. The DataTicket contract has been signed to process administrative citations.
Consider annual fee review.	A review of fees will be considered in conjunction with the annual budget process.
Partner with other entities when beneficial for grant and cost-sharing opportunities.	The most high profile example of partnership is the upgrade and expansion of the joint Pinole/Hercules Wastewater Plant now under construction. Other examples have been discussed under other Objectives. The City is applying for a joint grant with other agencies on the I-80 Corridor to coordinate signals and bus pre-emption.
Take advantage of telecommunication and broadband opportunities.	In August 2017, the City Council approved a program which will result in the City installing fiber when opportunities arise as utility work is taking place in City Streets. The City Council also allocated funding to allow these opportunistic installation of fiber to take place.
Push County and State elected officials to increase Hercules’s share of each dollar of property taxes that is collected in Hercules.	The City continues to look for opportunities to address achieve this goal. The City’s legal and property tax consultant team are reviewing responses from a Public Records Act request made of the County for which a response has been received.

**Goal B: Continue to Provide Excellent Police Services to the Community***Strategy 1(a): Protect Life and Property*

<u>Objectives</u>	Comments/Status
Maintain core services, including police patrols and traffic enforcement.	The City has utilized State grant funding for two additional Police Officers for two fiscal years which we will endeavor to continue to fund in future fiscal years. In addition, the City Council has approved an overfill program which allows for up to two additional positions to be filled to minimize the impact from retirements and other turnover to allow for the recruitment and training of new Police Officers. In addition, initial steps have been made to reinstate a Traffic Enforcement assignment which will be further considered as part of the FY 2018/19 proposed budget. Public improvements in new development is being designed to reduce opportunities for unlawful behavior and lower need for police oversight by sending staff to Crime Prevention Through Environmental Design (CPTED).
Continue to utilize community policing strategies.	The Police Department continues to utilize a community oriented approach to policing. Examples include our School Resource Officer program, the Citizen's Police Academy, Neighborhood and Business Watch, and the use of volunteers in Policing and the expansion of a role of Police volunteers in code compliance which is also a crime prevention tools.

Maintain the special response team and school resource officers	The Special Response Team continues to be fully functional. The City is actively engaged in an effort to ensure School District funding continues in support of the School resource Officer program, The City Council received an update on the School Resource Officer Program on February 27 <sup>th</sup> with the matter also discussed on April 10, 2018 and a letter to the School Board approved.
Coordinate disaster preparedness with local police, fire, emergency medical services and the County and State office of emergency services	The Police Department takes the lead in the City's Emergency Operations efforts. Later this fiscal year the City will embarking on an update of the Safety Element of the General Plan and the Hazard Mitigation Plan in coordination with police, fire, and other agencies
Utilize Reserve Police Officers when feasible to keep costs under control	Reserve Officers continue to be a tremendous asset to our Police Department.
Complete a succession plan to deal with anticipated future retirements	With the pending retirement of Chief Goswick at the end of June, 2018, the formal development of a succession plan will fall to a new Chief. In the meanwhile, officers are identified for training which will assist in their development including the Administrative Sergeant having recently completed the national FBI Academy.
Complete an equipment replacement plan with a rationale, schedule and budget	While equipment replacement is on-going and considered as part of the annual budget process each year, a more formalized replacement plan still needs to be developed.

Seek federal, state and other funding to enhance police department funding for staff and equipment.	Staff actively scans for grant and other funding opportunities. A key funding source for equipment is the Asset Forfeiture funding received as result of criminal convictions.
Recruit volunteers to assist office personnel with front counter duties, records processing and data entry.	Volunteers, Reserve Police Officers, and Explorers play key on-going roles in support of Police operations.
<b>Goal C: Enhance Economic Development Efforts</b>	
<i>Strategy 1: Pursue High Priority Economic Development Initiatives</i>	
<u>Objectives</u>	Comments/Status
Develop and implement economic development strategies.	The City's current economic development efforts are primarily development site driven which will result in new retail space, the City's first hotel, and sales tax and in-lieu fee generating auto service park and self-storage facility. Staff has also worked with the owner of the Franklin Golf Course property on an RV Park/hospitality scenario with economic development benefits.
Consider whether the City's fee structure or permitting process might be impediments to new businesses opening in Hercules.	With completion of the General Plan Circulation Element update, the City is reviewing its Traffic Impact Fees. A comprehensive review of the City's Zoning Code is a desired future effort.
Recruit qualified volunteer help on a regular and/or ad hoc basis from the City Council, Chamber of Commerce, local business leaders and the community at large.	The City has increased cooperation with the Chamber in regard to a number of special events. Other outreach to volunteers is on a case-by-case basis and occurs infrequently.
Participate in regional economic development efforts that will help Hercules.	The City participates in the some activities of the East Bay Economic Development Alliance.
Focus on high priority sites for new developments.	Moving forward proposed projects on the Safeway, Sycamore Crossing, Bayfront, and Willow Avenue sites are a high priority. Other possible development sites include the Willow Loop and the Franklin Canyon Golf Course property and the Hilltown site.

<i>Strategy 2: Create a "Brand" for Hercules and Promote/Market the Brand</i>	
<u>Objectives</u>	
Enhance the entry gateways of City with volunteer landscaping/beautifying projects, public art, and signage.	Efforts are currently focused on the appearance of private developments taking place on key corners. Additionally, the City is currently replacing all street signs.
Promote the waterfront/intermodal transportation center (ITC) Development – A special place that is distinctive of other planned developments and serves as the City's downtown.	The first phase of the Bayfront development has been approved with the first apartment building to start construction soon. The Bay Trail West segment has been substantially completed. The City continues to pursue grant funding necessary to construct the rail and station improvements.
Work with the City Council, staff and volunteers to develop and implement a brand and marketing strategy in-house.	This objective has not yet been specifically pursued. Reusable bags have been purchased as part of efforts to promote recycling and brand the City. Additionally, a number of special events have been reinstated like the Social Bite to further the development of a brand identity; the City participates in these events with a booth.
Consider whether the City's fee structure or permitting process might be impediments to new businesses opening in Hercules.	This objective has not yet been specifically pursued, other than the above mentioned traffic impact fee nexus study has started and should be complete by October 2018

*Strategy 3: Recruit Businesses that Make Sense for Hercules; Retain and Grow Existing Businesses*

Objectives

Prioritize and visit potential businesses to recruit to Hercules.

Pending the development of new retail sites and to be done in conjunction with the developers of these sites.

Review various plans and ordinances for potential updates, with an eye towards balancing economic development with “new urbanism” planning principals

Undertaken currently on a case-by-case basis as development proposals are received. A comprehensive review has not yet been initiated.

**Goal D: Enhance Transportation Access and Options**

*Strategy 1: Promote Alternative Forms of Transit*

Objectives

Comments/Status

Leverage the Regional Intermodal Transportation Center (RITC) site control into grant funding for station and related infrastructure.

With grant funding having made the first three phases possible, the City is actively working to identify and apply for grant funding for the utility relocation phase and the rail/station improvement phases of the RITC.

Complete the Regional Intermodal Transportation Center.

This remains the major focus for the City with additional staffing resources being dedicated to the project through an action taken by the City Council as part of the mid-year budget review on February 27<sup>th</sup>.

Look for opportunities to partner with rail for movement of goods.

The City is facilitating interim improvements to the existing railroad trestle bridge across Refugio Creek by Union Pacific Railroad this spring. The design of the future rail and track improvements will result in enhanced goods movement and will set the stage for even better efficiencies.

Work with Capital Corridor to get a firm commitment for a train stop.

The City is actively engaged with the Capital Corridor JPA, including having made presentations to the Board, on securing a firmer commitment for the train to stop once the rail and station improvements are completed. Many of the Capital Corridor Board Members have made site visits to Hercules as has the Executive Director. The station stop model is being updated to facilitate discussion of a Hercules stop. The City Council has also designated Vice Mayor Romero as its liaison to the Capital Corridor Board.

Pursue future ferry service.

The City actively engages with the water Emergency Transportation Authority (WETA), the ferry operator. A Hercules Ferry stop remains in their long-term business plan. Hercules advanced some of its dedicated ferry funding to the Richmond ferry terminal project, with service set to start later this year. This was acknowledged by WETA officials at the groundbreaking for the new Richmond Ferry Terminal and the successful initiation of Richmond service will bode well for future Hercules service. The City Council has also designated Council Member Esquivias as its liaison to WETA. The City is also pursuing Public Private Partnership (P3) opportunities for service with assistance from CCTA.

Work with WestCAT to expand service.

We are working with WestCAT in initiate interim service to the Waterfront with the completion of the Path to Transit Phase.

Expand City's walkways and bike path via Complete Streets program.	The recently completed Circulation Element update focused on incorporating Complete Street Standards into our circulation objectives. In addition, the City has applied for and received grant funding to for a complete streets project along Sycamore to Palm and Willow to improve pedestrian safety and provide a sidewalk to the Hercules Transit Center. Preliminary engineering has also been done for another project in anticipation of future grant activities. In addition, plans to repave the Refugio Creek Trail are in design with the project to be constructed starting this summer. The proposed sidewalk on San Pablo between John Muir Parkway and Sycamore Drive is being included in the funding plan for regional traffic impact fees administered by WCCTAC. We are also working on expanding the width of the path along John Muir Parkway from San Pablo Avenue to Alfred Noble with funds of up to \$100,000 from Taylor Morrison required in their Development Agreement.
Provide leadership role in BART's participation to enhance services at Hercules Transit Center.	The City, BART, and WestCAT have entered into a new three party agreement on regard to operation of the Hercules Transit Center. The City recently completed the repair and upgrade to LED of the on-site lighting. BART is working on additional improvements of benefit to the users.
<b>Goal E: Complete the Vision of the City's Development</b>	
<i>Strategy 1: Undertake Updates of General Plan and Zoning Code to Implement the Vision.</i>	
<u>Objectives</u>	Comments/Status
Complete the update of the City's Circulation Element	The update of the Circulation Element of the General Plan was approved by the City Council on February 27, 2018 and will be posted in final form on the City's website soon
Review various plans and ordinances for potential updates.	The City Council has considered ordinance amendments related to cannabis (Prop 64); accessory dwelling units (ADUs) to comply with State law; and has initiated the consideration of a paving ordinance. The City Council also reviewed and updated the penalties associated with illegal construction. The City Council requested that update to the City's Smoking Ordinance be developed and took action on that new ordinance in April. Also, the City Council has taken initial steps to have the derelict Queen Anne House on the Corporation site relocated to another community for restoration, with the precursor environmental review having been completed in April.
Revise the City's Zoning Ordinance to be consistent with the General Plan and Specific Plans.	This objective has not yet been specifically pursued.
Plan for the resources and funding to update the priority elements of the City's General Plan.	The General Plan update fee should be sufficient to address the updates needed for most elements of the General Plan over time. The Circulation Element update has recently been completed with an update of the Safety Element about to start.
Revisit the City's sign ordinance and update as needed.	A comprehensive update of the sign ordinance to bring the City into compliance with case law is pending with an initial element included with the processing of the Safeway Master Sign Program.

**Goal F: Provide Outstanding Cultural and Recreational Services to the Community**

*Strategy 1: Evaluate Programs for Community Impact and Cost Effectiveness, and Make Recommendations to Improve the Overall Effectiveness of the City's Efforts in Services Managed by the Parks And Recreation Department.*

<u>Objectives</u>	Comments/Status
Work with volunteer organizations to ensure full funding for a 40 hour per week Library.	The City included funding to return the Library to 40 hours in the FY 2017/18 budget. This supplements funding provided by the Friends of the Library and the Library Foundation.
Work with the County to reinstate 45 hours per week of Library services.	The City reaches out the County to discuss funding priorities for the Library Budget each spring. Thus far, the County has not made hours reinstatement a priority for funding.
Cooperate with public/private partnerships to enhance City cultural and recreation services.	The Parks & Recreation Department continues to add contract class instructors to meet community needs. In addition, a new selection of day, regional and trips further afield have been added as offerings for the senior community. The City has also contracted with an on-line course provide to expand offerings. Special events are also being done in conjunction with partners like the "May the Fourth Be With You" movie night and related events
Continue to provide high quality recreation programs that reinforce Hercules' reputation for high quality of life.	Programs and offerings are regularly evaluated to enhance the City's offerings as described above in addition to changes and modifications made to the City's direct offerings. Staff continues to take a critical look at all of the current programs and trends by tweaking programs as needed to accommodate for emerging trends. A good example of this was the rebranding efforts of the child care program moving to a license exempt program by creating a new and improved morning Breakfast Club program and updating the after school program to a "recreational" program now called RAP.
Continue to work on the current cost recovery objective of being budget neutral to minimize General Fund support.	Staff is working with the Finance Commission on a review of programs, costs, and revenues. A number of key programs have been restructured with cost recovery being a high priority. One example is that childcare programs have been revamped in a manner to allow for reduced costs and more flexible selections by program participants.
Annually analyze and report on costs and revenues on a program by program basis.	Parks & Rec is working with Finance to allow for the generation of reports to make this task easier. The effort by the Finance Commission has served as a pilot for this type of reporting.
Create and implement new ways to fund Parks and Recreation programs, including increasing participation.	New revenue sources to support core activities are being generated by the senior trip offerings and the on-line course offerings. Basketball has been transitioned to being an internally run program. The staff will continue to trial new approaches on an on-going basis in order to achieve this objective.
Continue to manage facilities rentals and find ways to increase number of rentals as well as income from rentals.	Facility rentals have increased. Efforts are underway to enhance certain facilities through the investment with volunteer assistance in an upgrade of the facilities. An initial round of chair replacement is underway to ensure the facilities are properly equipped.

*Strategy 2: Continue to Look for Ways to Augment City Funding for Parks and Recreation Programs and Initiatives*

Objectives

Research federal, state and foundation funding availability under “Health and Wellness” and other programs.

The staff regularly scans the environment for grant opportunities.

Apply for federal, state, and foundation grants as appropriate to support and enhance our parks, open space and recreation programs.

The staff regularly scans the environment for grant opportunities.

**Goal G: Invest In and Enhance Maintenance of Public Infrastructure and Facilities**

*Strategy 1: Re-evaluate and Make Recommendations to Improve the City’s Capital Improvements Programs, Clean Water Programs and all Lighting and Landscaping Assessment Districts*

Objectives

Comments/Status

Prioritize the City’s capital improvement program.

The annual budget process includes a five year capital improvement program with the first year funded as part of the budget. The Public Works Department would like to prepare a more comprehensive Five Year CIP and this will be done in future years.

Develop and implement a new code compliance model based on the new administrative citation program.

A three-tier code compliance model has been developed and is being implemented with various elements underway on a pilot basis.

Secure maintenance and operations funding for all new capital facilities.

Elements of funding for improvements like the new segments of the Bay Trail have been added into the Citywide Landscape & Lighting Assessment District. Options to address these needs are being explored for other projects, including the Bayfront.

Effectively manage day-to-day operations to ensure Hercules keep its reputation as a well-maintained city.

The landscaping contracts is now being more actively managed. Two Public Works Maintenance Workers have been designated leads with new oversight responsibilities related to maintenance in effect. A firm has been retained to provide adjunct engineering services in support of the operation and management of the City’s sewer system. Street sign replacement is underway. A major tree maintenance and trimming contract has been completed. A major pothole repair contract was let and completed as was a street striping contract. The City Council approved a trench cut ordinance to protect our investments in streets which requires utilizes and others to make repairs to newly rehabilitated streets when they make trench cuts to access their utilities and systems. A contract for a major sewer system cleaning and inspection will begin early May and an ordinance to mandate full trash capture on commercial properties was introduced and acted upon in March.

Update lighting and landscaping districts annually.

The annual update for the base landscape & light assessments is underway now.

Consider updating the lighting and landscaping districts to increase funding and level of service.

The City Council has embarked on another effort to have assessment payers in five zones of the Citywide District consider an approve assessment increases through a Proposition 218 process. That process will conclude in July.



## Goal H: Continue to Provide Exemplary Governance and City Administration

### *Strategy 1: Improve Administrative Processes and Overall of Executive and Administrative Management*

<u>Objectives</u>	Comments/Status
Enhance strategic planning and implementation efforts with linkage to the budget.	A Five Year Forecast was developed and reviewed after the Strategic Plan was approved in July 2017. An update of the forecast was reviewed together with the Strategic Plan on March 27, 2018, as a first step in setting the stage for the development of the 2018/19 budget. This update on Strategic Plan Objectives was as a result of that review.
Improve financial, personnel, and administrative functions.	Numerous efforts to enhance systems in these areas have been completed or are underway. Business Licensing has been outsourced. A new master personnel model is in development. An update of the City's Overhead & Cost Allocation Model has been completed. A Class & Compensation Study is nearing completion. A comprehensive update to the City's records retention schedule, management policies and system was recently reviewed by the City Council. The City's standard form contracts have been updated. A new agenda processing system called Legistar has been implemented and is now in use. An audit of UUT/Franchise Fees is underway.
Ensure all required state and federal financial reports are timely.	The City is keeping current with its federal and state reporting requirements.
Complete financial and operational audits in a timely manner.	The annual audit was completed at its earliest date since the prior periods where the City had fallen behind.
Provide regular financial reports including mid-year review.	The Finance Department provides the Finance Commission and City Council with quarterly reports including a mid-year review. In addition, the City is annually updating the League of California Cities Financial Diagnostic Tool. The development of an annual update of the Five Year Forecast is also another new tool to assist in financial reporting.
Evaluate financial controls and streamline where advisable.	The City Council approved an increase in the City Manager's contracting authority which has greatly streamlined the process to move projects and activities forward. A listing of City Manager approved contracts is being provided quarterly. The City has developed a purchasing matrix to assist staff in navigating the purchasing process. An update of the City's purchasing policies is currently underway.
Evaluate and re-engineer as necessary administrative processes.	This objective cross-over to a number of other objectives where activities related to this objective have already been described.
Evaluate IT systems, especially financial management to determine possible improvements.	A new web site was launched in April. The launch of the Legistar module for agenda production was discussed previously. An upgrade of the broadcast equipment in the City Council Chambers was completed.
Ensure good inter-departmental communications and collaboration	This is an on-going effort. Interdepartmental teams are leading efforts related to the website upgrade, the new code compliance model, and other initiatives.

*Strategy 2: Enhance Usage of the City's Finance Commission*

<u>Objectives</u>	
Provide oversight of City tax measures.	The Finance Commission serves as the citizen's oversight board for the City's two local tax measures. The Finance Commission provided its annual report on the Measures for the 2017 fiscal year to the City Council on March 27, 2018. The City Council also serves as an additional level of oversight on the measures.
Serve as a resource to staff.	The Finance Commission serves as a sounding board for staff in addition to having formed an Ad Hoc Committee this year to undertake a financial review of parks & recreation programs.
Provide training to commissions.	The City Clerk & City Attorney undertake annual training for Commissions with that having taken place in March, 2018. In addition, a Leadership Coffee was launched this year and took place in February with the Mayor and Vice Mayor meeting with the Chair and Vice Chair of each of the Commissions in a joint session to exchange ideas and information.

*Strategy 3: Provide and Enhance Exemplary Governance*

<u>Objectives</u>	
Enhance relationships in support of education and schools.	The City has been actively engaged in the effort to preserve School Resource Officers which directly support a safe school environment which contributes to learning and performance.
Encourage and engage in regional collaboration and cooperation.	Regional collaboration efforts of note include the Tri-City dispatch and CAD/RMS contract; the pending transition to the County for cable broadcasting; the City active participation in many regional boards and Joint Powers Authorities; a regional freeway camera project for Highways 80 and 4 to enhance community safety; and others. The City also hosted the West County Mayors & Supervisors Association for the last six months of 2018.
Continue to enhance transparency and open government.	The Pilot Streaming of City Council and Planning Commission meetings and the re-initiation of cable casting contributes to transparency and open government. The recently completed and launched upgrade of the City website should also facilitate this objective. In addition, the recent update of the City's record retention schedule and approval of a revised records management program will contribute to transparency.
Foster an ethical environment free from conflicts of interest.	The City Council has adopted a Code of Ethics which is reviewed annually and an annual acknowledgment of the policy is required for City Council Members, Commission Members and key staff.
Enhance access to information (sunshine provision).	An update of the City's website was recently completed and will serve as a vehicle for enhanced access to information.
Provide a means for employees to report concerns or possible wrong doing (whistle-blowing).	The City maintains a whistleblower hotline through a third party and regularly makes that information available to employees.
Conduct annual review and update of anti-nepotism, anti-cronyism, conflict of interest, and Code of Ethics.	The City Council conducts an annual review of these policies with that having taken place last on January 23, 2018.

Reduce exposure to litigation and claims.	The City has been successful in reducing claims and litigation over the past few years. Efforts to continue this trend include updates to the City's standard form of contracts and the development of specialty contract models, the investment of monies to address key infrastructure issues like the maintenance of trees, sidewalks, and the filling of major potholes.
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