

Business Plan

City of South Lake Tahoe

2013-2014



Updated May 7, 2013



City of South Lake Tahoe

Business Plan

2013 - 2014

Elected Officials

Tom Davis, Mayor

Hal Cole, Mayor Pro Tem

JoAnn Conner, Councilmember

Brooke Laine, Councilmember

Angela Swanson, Councilmember

Susan Alessi, City Clerk

David Olivo, Treasurer

City Manager

Nancy Kerry

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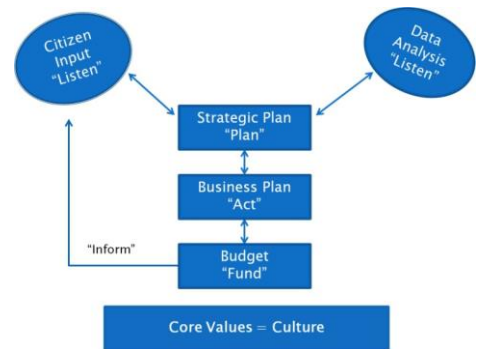
Introduction

Honorable Mayor and City Councilmembers,

I am pleased to present to you the City's 2013/2014 Business Plan update, which strengthens our commitment to **Quality Core Services**. The Business Plan was approved in 2011 following adoption of the Strategic Plan in March of 2011. The 2013/2014 Business Plan continues to operationalize the implementation of the strategic priorities. As you know, this plan is the culmination of a comprehensive process undertaken by the City Council and City staff at the beginning of 2011 to evaluate community needs and interests and identify the key strategic priorities to move the community and City organization forward. For 2013/2014 the five key strategic priorities remain the same:

- Economic Development
- Fiscal Sustainability
- Improving the Built Environment
- Public Trust and Accountability
- Partnership Development

The 2013/2014 Business Plan is organized by the five Strategic Priorities. Each priority includes Core Business Services and a description of initiatives to achieve the intended outcomes. Lead departments and performance goals for the coming year are identified under each initiative. In this year's plan, the outcomes achieved from the 2012/2013 goals are also included.



In reviewing our progress since adoption of the Strategic Plan two years ago, the City Council who set the priorities and employees who implemented the initiatives are again to be commended for the successes achieved. The City remains focused on the future. The strategies reflected in the Strategic Plan and Business Plan has allowed the City to honor our commitment to the community to provide essential, outstanding cost effective service to our residents and businesses.

I offer my appreciation and thanks to the City Council for their continued courage and for the opportunity to demonstrate our commitment to the community and to the employees who have adapted to the changes and initiatives making these steps in the implementation of the Strategic Plan possible. We will continue to keep the citizenry and City Council informed of our progress.

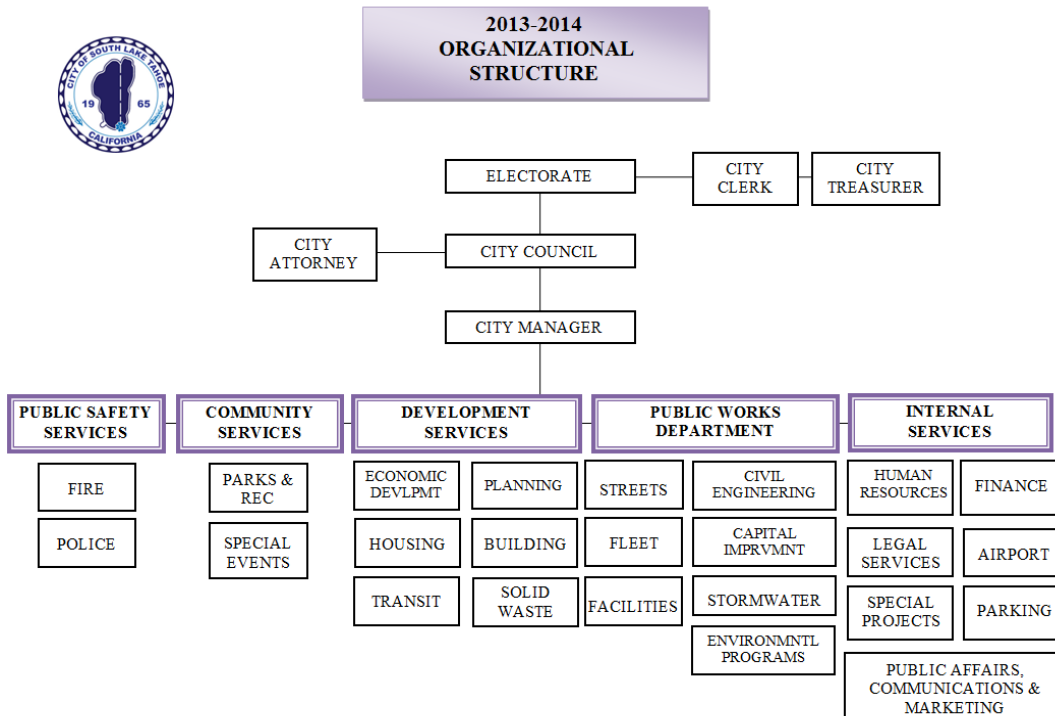
Sincerely,

Nancy Kerry
City Manager

City Organization

The current organizational structure includes the following services and departments:

- City Clerk and City Treasurer Offices.
- City Attorney's Office.
- Public Safety Services: Police and Fire Departments.
- Finance Department: Financial Management, Budgeting and Parking Enterprise.
- Community Services: Parks and Recreation.
- Development Services: Planning and Building.
- Public Works: Streets, Fleet, Facilities, Engineering, Capital Improvement Projects, Stormwater Management
- Internal Services: City Manager's Office, which includes Human Resources, Public Affairs, Communications, Marketing, Special Projects, Neighborhood / Volunteer Services and Airport.



Strategic Priorities

In March 2011, the City Council adopted a comprehensive Strategic Plan identifying Five Strategic Priorities. The City Council's 2013-2014 Strategic Priorities currently remain the same:

- **Economic Development:** *To stimulate economic recovery and vitality.*
- **Fiscal Sustainability:** *To ensure the City is a wise steward of the public's resources and maintains long-term financial viability.*
- **Improve the Built Environment:** *To improve the City's "First Impression" and ensure investment in community and tourist infrastructure.*
- **Public Trust and Accountability:** *To enhance civic engagement and maximize information outreach by listening to, understanding and fostering mutual respect with the community.*
- **Partnership Development:** *To build cooperative and reciprocal partnerships with local, regional, and federal public, non-profit and private entities to enhance the vitality and quality of life of City residents, businesses and guests.*

Business Plan

2013 - 2014

Strategic Priority: Economic Development

The overall goal of *Economic Development* as a Strategic Priority is to stimulate economic recovery and vitality for the local community.

Existing Core Business Services and Programs

Enterprise Services:

Airport Operations: The South Lake Tahoe Airport is certified by the Federal Aviation Administration (FAA) as a Federal Aviation Regulation (FAR) Part 139 Airport. The Airport facility also serves as the City's Administration Offices and Emergency Operations Center.

Parking Garage Operations: The City's public parking garage provides over 400 parking spaces adjacent to the Heavenly Village and gondola. The garage has been improved to include automated payment capability and increased marketing.

Business Tax: The Finance Department manages a database of Business and Professions tax certificates for 3,000 local businesses each year.

Developer Facilitation: City Manager and staff facilitate discussions with developers interested in sites of economic benefit to the community.

Land Use Planning: The City's Development Services Department adopted the General Plan Update and is working with TRPA to develop Area Plans.

SCHEDULED AIR SERVICE

Lead Department: Airport Services

Operating Expense: Existing, staff time. Master Plan to be funded through FAA grant.

South Lake Tahoe's economy will be significantly improved when scheduled air service returns to the South Lake Tahoe Airport. In the past few years the airport has seen the investment of over \$9M in FAA funding to reconstruct the runway, reconstruct the terminal apron and also restore the Stream Environment Zone surrounding the runway. There is an opportunity to reestablish scheduled air service at the South Lake Tahoe Airport.

2013 Progress Report: Consultation meetings with TRPA, FAA, Attorney Generals office and state officials are ongoing in an attempt to develop a Plan of Action to bring scheduled air service to South Lake Tahoe

Meetings with potential scheduled air carriers were held to understand how best to accommodate their needs for air service.

2013-14 Performance Measures:
Adopt Master Plan 2013-14
Environmental Impact Report 2013-15
Scheduled Air Service 2015



RETIRE TOURIST ACCOMODATION UNITS

Information regarding this initiative will be provided in the near future

Strategic Priority: Fiscal Sustainability

The overall goal of *Fiscal Sustainability* as a Strategic Priority is to ensure the City is a wise steward of the public's resources and maintains long-term financial viability.

Existing Core Business Services and Programs

Budget Management: The City's budget management policies include controls and procedures to ensure the City achieves and maintains a balanced budget throughout the year. The City's Budget document has received the Distinguished Budget Presentation award from the Government Finance Officers Association of the United States and Canada (GFOA) for three consecutive years.

Financial Accounting which includes Accounts Payable, Payroll, Debt Administration, Cash and Revenue Management and Purchasing: City maintains accounting records in compliance with legal, statutory and accepted practices and standards. Financial reporting requirements include the timely preparation and filing of a Comprehensive Annual Financial Report, various State Controller's Reports, Monthly Financial Reports and Mid-Year Budget Review.

User Fee Collection and Administration: The City provides services to Planning, Building, Engineering, Parks and Recreation, Fire and Police services. Careful examination of User Fees ensures the stability of the General Fund, which subsidizes the portion of services not covered by the fees. The City periodically conducts a comprehensive user fee analysis and adjusts fees annually to reflect changes in the Consumer Price Index (CPI) to ensure the optimal cost recovery of services.

Financial Trend Monitoring System: The Finance Department developed a Financial Trend Monitoring System (FTMS) released in early 2012 to allow prompt responsiveness to the City's financial trends as they occur to ensure the City is headed in the right "financial" direction. The FTMS will supplement the Annual Budget, Comprehensive Annual Financial Report and Five-Year Financial Plan

Five Year Financial Plan The Finance Department introduced the development of a Five Year Financial Plan that was adopted by City Council on May 15, 2012. The Plan is focused on the City's General Fund and Capital Improvement Program and provides a forecast of revenues and expenditures.

Establish Community Giving Opportunities: This initiative introduced in 2011 was to provide potential community partners with alternatives to support City services or ideas of interest to them. In December 2012, the bylaws for the GIFT Program (Great Ideas For Tahoe) was amended to appoint the City Council as the Board of Directors. The GIFT Program now serves as the primary vehicle for cash donations designated for specific purposes

Capital Improvement and Infrastructure Financing Plan: The Five Year Financial Plan includes funding of \$5 million for capital, facility and infrastructure replacements and improvements citywide. The financing mechanisms to fund a total of \$25 million of capital and infrastructure projects is through the issuance of Certificate of Participation (COP) bonds



STREET CUT ORDINANCE

Lead Department: Engineering

Operating Expense: Existing, staff time

Engineering and legal staff will work together to create a comprehensive street cut ordinance and revision to City Code Chapter 26 Streets and Sidewalks. The ordinance will require those performing street work to participate in the costs of maintenance of the affected streets pavement.

2013-14 Performance Measures: Adoption of the ordinance before summer 2014 construction season.

COMMODITY ASSET INVENTORY

Lead Department: Development Services

Operating Expense: Existing, staff time

Properties in the Tahoe Basin each have an assigned range of commodities that may include some or all of the following: Tourist Accommodation Units (TAU), Residential Unit of Use (RU), Commercial Floor Area (CFA), and allowable and banked land coverage. These commodities are assets that are bought, sold and transferred within the Tahoe Basin. The City owns commodities that need to be inventoried, identified and carefully managed.

2013-14 Performance Measures Proposed Completion of inventory of all other City assets by October 2013 and present to City Council to establish strategy for potential exchange, sale or transfer to encourage revitalization of the City.

Strategic Priority: Improve the Built Environment

The overall goal of *Improve the Built Environment* as a Strategic Priority is to improve the City's "First Impression" and ensure investment in community and tourist infrastructure.

Existing Core Business Services and Programs

Development Services provides permit review, issuance and assistance with development permit applications. Summer 2013 is expected to see at least \$40 million in private and public capital investments impacting development services, building , inspections, public works. *The Design Review Team established in 2011 is now a part of the department's core services.*

Code Enforcement includes ensuring compliance with all City codes, nuisance abatement, and parking enforcement.

Capital Improvements A 5-year CIP program was adopted and a funding mechanism was put in place through the issuance of Certificates of Participation (COPs)

Safe Streets/Snow Removal: The Public Works Department manages City streets and snow removal, responding to citizen requests and regular on-going maintenance. In 2012 a new GPS system to track snow plows was installed.

Park and Facility Maintenance: The Community Services Department will continue the City's facility maintenance program.

Environmental Improvements and Stormwater Management: The Engineering Department will continue to implement environmental improvement projects and programs to meet national water quality permit standards, TRPA requirements, and to achieve maximum development allocations from TRPA.

Neighborhood Service Team: Neighborhood Service Teams (NST) were established in 2011 as an effective tool to strengthen the partnership between the City and the community and build stronger neighborhoods.

Citywide GIS Service: The Engineering Department now offers City-wide GIS services to various departments for mapping and inventory needs and has established a web-based GIS system which can be tailored to each department's needs.

ADA Facility Upgrades: The City's Development Services Department has been leading this effort and working with the local chambers to assist local businesses. An ADA Transition Plan has been developed and priorities identified for facility upgrades

Sign Replacement Incentives/Unique Sign Designation Program:

Business Sign Replacement Incentive Program provides local businesses located in commercial zoning district on Highway 50 from Trout Creek to Ski Run Blvd the opportunity to bring their business sign up to current city code by applying for replacement incentive funds.

Unique Sign Designation Program provides an opportunity for local businesses currently in operation to apply to have their sign designated as "locally unique" for those signs widely recognized as iconic or a landmark in the City.

CITY PLANNING

**REGIONAL PLAN UPDATE &
SLT AREA SPECIFIC PLANS (POTENTIALLY)**

Lead Department: Development Services

Operating Expense: Staff time

In 2012 the TRPA released its long-awaited Regional Plan Update. With the release of the Regional Plan, local agencies were given the opportunity to begin drafting Area Plans providing enhanced local control of implementation of TRPA regulations and thresholds. This initiative meets performance goals for Economic Development strategic priority as well as Improve Built Environment.

2013-14 Performance Measures: Draft and submit to the TRPA two Area Specific Plans for (1) Tahoe Valley Area and (2) Tahoe Core Area Plan.

CHATEAU PROJECT

Lead Department: City Manager's Office

Assisting Departments: Legal Services

Operating Expense: Staff time

The project previously known as the Chateau Project at the corner of Highway 50 and Stateline Avenue was in litigation in 2011. Early 2012 the creditors and project developer were released from bankruptcy protection. Currently the project is processing an application for Phase 1, which is the retail portion along Highway 50.

HARRISON AVENUE UPGRADES

Lead Departments: Development Services and Engineering

Operating Expense: \$1.5M infrastructure investments and staff time.

Harrison Avenue is located in a highly visible commercial corridor adjacent to the newly constructed Lakeview Commons and future development of the 56-acre project. Revitalization of Harrison Avenue would be economically beneficial to the businesses improve Highway 50.

2013-14 Performance Measures: Complete final design, release bid documents and secure a responsive bid for construction by October 2013. Begin construction May 2014.

FIXIN' HIGHWAY 50!

Lead Department: Development Services and Engineering



Operating Expense: City staff for program management, costs for each project will vary.

"Fixin' 50" is a **multi-year** overarching initiative to leverage resources to construct improvements adjacent to Highway 50 at the same time as Caltrans is improving the roads of Highway 50 during the next two to three years. The initiative will develop the programs listed below and conduct outreach to businesses along the commercial corridor to offer incentives and assistance to encourage businesses to improve their store fronts and Caltrans improves the highway. The overall improvement program will be achieved over three to five years.

2013-14 Performance Measures Engineering staff will coordinate with Caltrans to ensure the City's goals of Complete Streets are included in Caltrans capital improvements and that Traffic Signal Synchronization funding is pursued and implemented. Development Services will lead initiatives below and update City code to address the proper use of motels in the commercial corridor on Hwy 50

Strategic Priority: Public Trust & Accountability

The overall goal of *Public Trust and Accountability* as a Strategic Priority is to enhance civic engagement and maximize information outreach by listening to, understanding and fostering mutual respect with the community.

Existing Core Business Services and Programs

The City operates in a manner to encourage public participation through open and public meetings and providing information to the public. Both the 2011 and 2013 Resident Surveys indicate that the community of South Lake Tahoe is much more involved in civic engagement than other communities. In 2011, 41% of residents indicated they attended a public meeting. Although that number declined to 40% in 2013, it is still higher than other benchmark cities. 92% of residents surveyed indicated they voted in the last general election, which is also much higher than other communities.

Government Transparency: The City Clerk's Office is responsible for the preparation and Coordination of the City Council's (and City Commissions) Meeting Agendas, noticing the public of upcoming Council meetings and recording of all proceedings in accordance with the Brown Act. Actions taken by the Council (and Commissions) are reported by the City Clerk's Office through adoption of meeting minutes. The Clerk's Office functions as the official record keeper of the City.

City Website: The City's website is regularly updated and includes a breadth of information from all City Departments. Council and Commission agendas, Department programs and projects are updated. The website has received a significant increase in the number of visitors and is evolving as needed, with online payments now being accepted for business license transactions.

Human Resources: The City's Human Resources Department impacts the public's trust through effective and transparent recruitment procedures, salary and benefit reporting to the community and effective customer service training initiatives.

Public Communications Strategy: In 2012 a communications strategy was developed integrating social media, traditional media, and the City's new website to educate and inform the public on the City's programs, policies and provide an opportunity for civic engagement and participation.

- Creation of monthly City newsletter to keep residents informed
- Daily electronic newsflashes to e-mail and mobile devices
- Emergency alerts and 12 months of emergency preparedness tips
- Improved awareness through local media publications, stories and advertising.
- Increase in public awareness through Financial Trend and budget reporting.
- Videos posted online (You Tube) educating public on projects and programs and providing Q & A between community members and City Council.
- Business and Strategic Plan goals updates (now included on all staff Council reports).
- Host increase number of community workshop on topics of key interest.

Existing Core Business Services and Programs (continued)

City E-News! The City's new Website includes *E-Newsflash* updates every few days. Persons interested in keeping informed on City issues can elect to receive electronic news updates on projects and programs, events through their phone, email, or visit the City's website.

The City at Work Campaign: This service was launched in 2011 and continues to provide the community the opportunity to follow the progress of projects throughout the City and to be aware and informed of City projects.

Team South Lake Workforce Engagement: High-performing employee teams have a clear understanding of the linkage between City Council Priorities, Core Business Processes and Initiatives, Department Action Plans and Individual Performance expectations.

2013 Progress Report:

- Employee Health Fair held in 2012.
- Quarterly Employee Service Awards.
- Monthly All-hands Mandatory meetings established March 2012 and continues with great attendance

Quarterly Leadership half-day trainings sessions began fall 2011 and are continuous. In addition, a group of City employees participated in *Succession Planning* where they were tasked to come up with a list of topics for an Internal Leadership Academy. The Academy curriculum is still being developed, but we expect to kick-off the first training session in 2013.

South Lake Tahoe Volunteer Corp: The City's Volunteer Corp launched in June 2011 to create and maintain a variety of volunteer opportunities for the public. The City's Volunteer Corp includes people from all walks of life helping the public through one of the following opportunities:

- Neighborhood Service Teams provide an opportunity for the City to partner with local residents to increase communications with neighbors and help facilitate improvement projects within the neighborhood such as clean-up days and landscape demonstrations.
- Police Department Volunteers are provided an opportunity to learn first-hand how the police department functions and provide meaningful assistance to the public. Current volunteers support the Vacation Home rental, code enforcement and graffiti removal programs.
- Senior Center Volunteers provide administrative support to the senior center as well as transportation to doctors' appointments, the library, grocery store etc. as volunteer drivers of the senior center van.

Citizens Academy: The South Lake Tahoe Citizens Academy is a six-session program that was developed in Fall 2012. The sessions are being offered in the Spring and Fall to citizens wishing to increase their knowledge about the workings of local government and to become more involved in the shaping and development of their community.

Initiatives

STUDENT GOVERNMENT DAY

Lead Department: City Clerk

Operating Expense: Existing, Staff Time

The goal of this initiative is to provide South Tahoe High School students (Civics class) an opportunity to learn about the structure of local government and the process of democracy; the importance and effectiveness of public service and community involvement and how decisions and laws are made. Students during a one-day session will shadow, work with and learn from City Council Members and City Staff, and participate in role playing during a mock City Council meeting.

2013 Progress Report: Program is currently being developed to commence during the 2013/14 school year.



Strategic Priority: Partnership Development

The overall goal of *Partnership Development* as a Strategic Priority is to build cooperative and reciprocal partnerships with local, regional, and federal public, non-profit and private entities to enhance the vitality and quality of life of City residents, businesses and guests.

Existing Core Business Services and Programs

The City of South Lake Tahoe resides within one of the most heavily regulated environments. As a result, the City must develop effective partnerships if it is to be successful in its Strategic Plan. The adoption of Partnership Development as a Strategic Priority will ensure the City makes measureable progress.

Emergency Services: The City's strongest partnerships begin in its Police and Fire Departments. Public Safety provides the following core services:

Police Department core services include Patrol and Investigation Services, protection of life and property, traffic enforcement, overall community safety and responding to Calls for Service.

Fire Department core services include Fire Suppression and Rescue, Emergency Medical Services, Emergency Management/Preparedness and Fire Prevention/Education.

Community Services: The City's Community Services Department, which includes the Parks and Recreation Division must maintain many effective partnerships within the region to provide recreational services.

Engineering and Development Services: These two Departments work closely with a wide variety of local, state and federal agencies including Caltrans, Tahoe Regional Planning Agency, California Tahoe Conservancy, Lahontan Regional Water Quality Control Board, and elected officials.

Volunteer Programs: As described in Public Trust and Accountability, the Volunteer Corp was launched in 2011 and continues to strengthen and enhance all of the City's core services and partnerships between the City and community members.

Field Time Maximization: The On-Line reporting project is complete. The system has been tested, policies written and program implemented. Citizens can now file police reports via the City's website

Emergency Management/ Preparedness: Staff continues to train with internally and with various local agencies. Technology projects relative to emergency preparedness (EOC, Command Vehicle, and Reverse 911) have been completed and Emergency Management Plan is currently being updated.

Performance Measures

	ED	FS	IBE	PT	PD	2012-13 Performance	2013-14 Goal
Improve (Lower) Unemployment Rate	X					13%	11%
Increase Sales Tax Revenue Growth	X					10%	5%
Increase TOT Revenue Growth	X					26%	5%
Adopt Tourist Core Area Plan	X		X		X	On-Going	Adopt
Adopt Tahoe Valley Community Plan	X		X		X	On-Going	On-Going
Adopt and Implement 5-year Financial Plan		X				Adopted	Update
Maintain Operating Reserve of 25% of General Fund		X				Yes +	Yes +
Reduce Parking Garage operating costs by 10%		X				Parking Re-Org	10%
Maintain Annual Unqualified Auditors Opinions on Financial Statements		X				Completed	Achieve
Percentage of Grants performed at or above Grantors' milestones and standards		X				100%	100%
Maintain existing or improved City Bond Rating		X	X	X		AA-	AA-
Financial Reports and Debt Continuing Disclosure Statements timely filed and complete		X		X		100%	100%
Increase Revenue thru TOT Audits	X	X	X	X			\$50,000

	ED	FS	IBE	PT	PD	2012-13 Performance	2013-14 Goal
Adoption of 5-year Capital Improvement Plan	X	X	X	X	X	Adopted	Invest
Host Neighborhood Clean-Up Days			X	X	X	6	8
Host Neighborhood Service Team Meetings			X	X	X	13	15
Conduct Annual Citizen Survey				X		Completed	Next Survey 2015
Host Annual "State of the City"				X	X	Completed	Recurring
Increase Website Visitor Traffic			X	X	X	tbd	40,000/mo
Publish City Newsletter & E-news			X	X	X	Monthly	Monthly
Host Citizen's Academy				X	X	2	2
Partnership in Community Forums				X	X	On-Going	On-Going
Establish Crime Prevention Program				X	X	In Development	Reduce UCR Part 1 Crimes 5%