



CITY MANAGER'S OFFICE

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CITY COUNCIL STAFF REPORT

Meeting: March 1, 2023

Subject

Review Council Goals and priorities for the next two fiscal years (Fiscal Years 2023-2025)

Recommended Action

Consider Re-Affirming Council Goals and set new priorities for the next two fiscal years (Fiscal Years 2023-2025)

Background

The Council maintains a City Work Program as a two-year effort, revisiting on an annual basis to adjust and redirect efforts. This work program provides guidance on high priority efforts that the Council would like undertaken. Typically Work Program items take significant staff effort and one or even two years to complete. Normal daily operations encompass approximately 90 percent of city staff time, with variations from department to department depending on many influencing factors. By establishing the Work Program in a collaborative manner, weighing workloads and Work Program items, staff is better able to communicate where there is capacity and the Council is better able to see meaningful results over the two-year timeframe.

Established Council Priorities

In February 2020, the City Council adopted a number of goals to provide a framework for City priorities and to guide annual development of the Work Program. The priorities include:

- **Public Engagement and Transparency**
 - Creating and maintaining key conversations and interactions with the Cupertino Community.
- **Transportation**
 - Providing access to an efficient, safe multi-modal transportation system for our community, and advocating for effective, equitable mass transit in the greater region.
 - Improving Traffic Flow and Alleviating Congestion
- **Housing**
 - Contributing meaningfully and in a balanced manner to the housing inventory in support of our community needs, including affordable housing

(from extremely low-income to moderate-income level housing) and addressing homelessness.

- **Sustainability & Fiscal Strategy**
 - Continuing Cupertino's commitment to building a sustainable and resilient community for future generations.
- **Quality of Life**
 - Furthering the health and well-being of all Cupertino community members.
 - Air Quality and Noise
 - Public Safety
 - Recreation
 - Access to Goods and Services

The five priorities in this list help to focus the Work Program items and ensure that the work efforts remain aligned with expressed priorities. As part of the Work Program exercise, it is a good idea to re-affirm that these five priorities remain relevant.

Defining a Work Program Item

Staff recommends the following guidance for Work Program items:

- Timelines are finite in nature, with an expectation of completion within the next two fiscal years.
- The items are unique to the Work Program and not duplicated in other funded efforts. For example, Capital Improvement Program (CIP) Projects should be tracked in that program. Similarly, the Housing Element is a major project with a finite term, but because the Housing Element update is required by state law, it should fall into the regular budgeted workload and not be captured as a Work Program item.
- The Work Program is not an all-inclusive wish list, but rather a concise list that has undergone significant prioritization efforts by the Council.
- The Work Program should not include elements of other programs, such as the General Plan, Housing Element, Climate Action Plan, etc. as advancing each of these is a part of daily operations.

Staff Capacity to Deliver Work Program Items

As noted above, staff allocates a significant amount of resources to delivering daily services. Descriptions of this workload can be found in the City's Operating Budget. It is important to note that the operating capacity for departments does include room to advance episodic administrative priorities that may on occasion raise to the level of Council attention. These efforts are guided by the department directors and the City Manager to ensure high performance in the delivery of service to the public and are part of the administrative duties assigned to the City Manager.

The need to deliver on daily services leaves a finite capacity for additional projects. And in some departments, like Community Development, where the Housing Element is a significant body of work on its own, there may be no capacity for additional work items.

Given the large number of outstanding efforts already in play, staff recommends minimizing the addition of Work Program items. The process outlined below supports a movement in that direction. Staff looks forward to developing the Work Program in an interactive partnership with the Council based on the structure outlined in this report.

Current Work Program

Recently the Council received information on the current Work Program status. That information can be found on the dashboard at cupertino.org/cityworkprogram. A list of Work Program items can be found as Attachment A. The current program consists of 38 items. Eleven items on the work program are complete or scheduled for completion this fiscal year (Attachment B).

In order to adapt to a changing focus, staff recommends a series of refinements to the current Work Program.

- Exclude six CIP projects from the Work Program. This will save redundant tracking efforts yet still provides Council ongoing information through the CIP dashboard.
- Shift the work program item Support for the Unhoused to the annual operating budget discussion for program definition and funding needs as a needed ongoing effort.
- Remove three items (Quarries, Student Internship Program, and Hybrid Meetings) from the work program as they are either operational or obsolete.

Each of the refinements above are further addressed in Attachment C.

The current Work Program of 38 items becomes a refined program of 19 items (Attachment D) when accounting for the modifications noted above and capturing the projects forecast for completion by the end of this fiscal year.

Drift to Operational

Over the years, some City Work Program items have become ongoing operational projects for staff. These items increase staff workload and require ongoing funding in order to continue the project. The following are examples of current or past Work Program items that have become operational.

- Homeless Jobs Program
- Housing Program for De Anza College Students
- DOLA
- All Inclusive Playground
- Use of Athletic Fields in Parks

Staff does their best to absorb increased workload with existing resources, however, over time operating budget adjustments may become necessary.

Stepping Through This Year's Process

Staff has a specific structure in mind for the Study Session on March 1. The conversation would begin with re-affirmation of the priorities through a facilitated discussion. Council should review the priorities and be prepared to discuss any interest they have in making adjustments.

As a second step, staff recommends a fresh look at the Work Program, rebuilding the list from scratch. To achieve this, each Councilmember should provide a selection of five of their priority items for consideration and submittal to staff via email using the form provided as Attachment F. Staff will consolidate the selections and provide the list as an addendum to the agenda item and this report prior to the Study Session, providing time for each Councilmember to review and prioritize. At the Study Session, a facilitator from Baker Tilley will lead us through a consensus building prioritization process based on these identified priorities. **Please return the form (Attachment F) to Debra Nascimento by 5:00 pm on February 22.**

As individual Councilmembers contemplate their five Work Program items, each could include items that remain on the current Work Program or select items that have not yet been considered. Staff is aware of several additional Work Program items that may be candidates for inclusion, including:

- Urban Forest – Public Works
- Recycled Water Feasibility Study – Public Works
- Update to Sister City and Friendship City Policy – City Manager's Office
- Public Art – Role of Fine Art Commission, and establish policies and procedures.
- Naming of Public Facilities Policy

Staff from each department will be present at the Study Session to answer high level questions and provide insight into workload capacity. By making this an iterative process with both Council and staff input, we hope to establish a Work Program that can see meaningful progress over time. Ultimately, the consensus Work Program will be placed on a future Council Agenda for adoption and will inform any operating budget requests necessary to deliver on the program, setting up that conversation through the annual budget process.

Public Outreach

The City Council Retreat and subsequent Council meeting, as well as ongoing input the Council receives from the public, are the source of engagement for this year's Work Program. In past years staff and Commissions have recommended items for consideration. Due to the designed two-year cycle for the work program and the significant size of the current list and the desire to make meaningful progress on the included items without adding to the backlog, these steps were foregone this year.

Attachments:

- A. FY 2022-23 City Work Program
- B. FY 2022-23 City Work Program Items Completion List
- C. Removed Work Program Items – Proposed
- D. Refined Work Program Items
- E. Select Notable Large Projects – Staff Level
- F. Form - Councilmember Top 5 Work Program Items