MANISTEE CITY COUNCIL
WORK SESSION AGENDA

Tuesday, January 8, 2013 - 7:00 p.m. - Council Chambers, City Hall

I. Call to Order.

II. Work Session Items.

a.) PRESENTATION OF STRATEGIC PLAN UPDATE 2013-2014 THROUGH 2015-16 – Mitchell D. Deisch, City Manager.

b.) 2012 CAPITAL PROJECT UPDATE – Mitchell D. Deisch, City Manager and Jon Rose, Community Development Officer.

III. Adjourn.

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"...the community of choice and destination for businesses, industry, tourists and families..."

CITY OF MANISTEE

Strategic Plan Update
2013-14 through 2015-2016

January 8, 2013

Preface

In 2007, Manistee's City Council developed a Strategic Plan to guide the City's future that is revisited annually by Council. While the City's strategy has evolved as opportunities and conditions have changed, the vision for the City remains unchanged:

"*To be a community of choice on the northwest Michigan coastline.*"

Following is the City of Manistee's Updated Strategic Plan for the calendar years 2013 through 2016. In updating this Strategic Plan, a number of themes are worth noting:

- **Progress.** Progress is being made toward the vision of being "a community of choice." While much work remains, we have made important strides in developing our beaches, our downtown and our core infrastructure to benefit our residents, visitors and businesses. The following pages highlight some of these accomplishments.

- **Financial Challenges.** We are doing what we can during these uncertain economic times to be proactive and fiscally prudent in charting a course for the future. We need to realize that the broad scope of services the City provides will be increasingly challenged to ensure that we are directing shrinking resources toward essential government services that have the greatest return for our community. We will also continue to develop measures for our strategies and goals so that we can understand and monitor progress.

- **Collaboration.** We must continue and accelerate to lead in developing "win-win" partnerships with our neighbors and identify ways to share services and resources so that our quality of life can be sustained with services that can be more efficiently delivered through partnerships.

We hope that all community interests will review this updated Strategic Plan, offer your suggestions and ideas on how our community can be improved and join us in a united front to truly be the "community of choice."

Our Vision

Our vision for the City can be attained through leadership, teamwork and collaboration with all who have an interest in the City's future:

"Manistee will be the community of choice on the northwest Michigan coastline with a strong, diversified economy providing opportunities for all...a city whose prosperity continues into the future."

Our Mission

Our Strategic Mission defines what we must do to achieve our vision.

"To competitively position the City of Manistee as the community of choice and destination for businesses, industry, tourists and families."

Our Purpose

The purpose of City Council reflects how we will lead to attain the vision and strategic mission:

"The purpose of the Manistee City Council is to provide direction for the community on behalf of its citizens. The council will achieve this through exemplary leadership and by being accessible and approachable for all, upholding policy, ensuring financial stability, and providing citizens with safety, economic opportunity and a better quality of life."

Our Values

A set of values guide decisions involving governance of the City:

- Fairness
- Integrity, honesty and the highest ethical standards
- Commitment to the community and to their respective offices
- Tolerance
- Accessibility and approachability
- Respect
- Listening and being responsive
- Responsiveness
- Leadership
- Trust
- Responsibility
- Universal Access for people of all abilities

Who We Serve and Impact

City Council and City government serve and impact a diverse group of individuals, groups, governments and organizations, including:

- City residents
- City government employees
- Businesses and Industry, including the Manistee Manufacturer's Council
- The Little River Band of Ottawa Indians
- Township, State and Federal Governments
- County residents
- Tourists
- Seasonal residents
- Schools
- West Shore Community College
- Nonprofit organizations
- Civic organizations
- Youth
- Police, Fire and Rescue personnel
- Individuals, businesses and groups considering the City of Manistee as a place to live, work or simply enjoy

We strive to engage all interests toward our vision of being *"a community of choice."*

Accomplishments

The City of Manistee's Strategic Plan is a living, breathing blueprint for the future of the City that will continue to evolve as conditions change and opportunities arise. A number of strategic goals were achieved during 2012 and/or incorporated as ongoing functions of City Government, including:

Strategy 1.6. To begin to integrate the county-wide brand in a city branding process.

Strategy 2.1.1 Incorporate specifically into the plan the Ramsdell Theatre to preserve and maintain the improvements that have been made through the generosity of our community.

Strategy 2.1.2 Maintain, update and implement Street Asset Management Plan

Strategy 2.1.4 Work toward implementing Beach Conceptual Plan as budget allows.

Strategy 2.1.6 Maintain valve exercising program

Strategy 2.4.1 Implement e-agendas.

Strategy 2.3.2 Upgrade pump stations and water well controls and communication.

Strategy 2.3.3 Work to interconnect all City owned buildings.

Strategy 2.3.4 Complete and maintain new website and use website and other social media techniques to increase communication with residents and visitors.

Strategy 2.3.5 Incorporate State required technology upgrades (dashboard).

Strategy 2.4.2 Utilize Green Team to identify opportunities for sustainable investments in green technology.

Strategy 2.4.3 Continue to include maintenance friendly and energy efficient products in future projects.

Strategy 3.1.3 Have all parks, public areas and beaches open to public by Memorial Day.

Strategy 3.1.4 Inspect Riverwalk weekly.

Strategy 3.1.5 Clean beaches weekly, twice per week during peak season.

Strategy 3.1.6 Inspect beaches daily during summer season.

Strategy 3.1.7 Install swim buoys for 2011 season by Memorial Day.

Strategy 3.1.8 Seek funds to replace First Street Beach Bathhouse.

Strategy 3.1.10 Complete 5 year Parks and Recreation plan.

Strategy 3.2.2 Develop picnic areas adjacent to City Marina.

Strategy 4.1.2 Continue to explore public and private sources of revenues (this is now an ongoing activity)

Strategy 4.1.3 Present quarterly financial updates.

Strategy 4.1.4 Provide annual update on Strategic Plan prior to updating the Plan.

Strategy 4.3.1 Continue to budget and encourage Council and staff to attend training and professional development.

Additional accomplishments included:

- Not increasing the millage rate to provide City services.
- Strengthening intergovernmental cooperation with neighboring governments.
- Successfully integrating two City departments Leadership into one.
- Continuing to make progress in the sewer separation project, in keeping with State requirements.

- Investing in education for staff and council
- Substantial progress toward the restoration of the Vogue Theater, a catalyst for downtown revitalization.

Strategic Plan Update Process Improvements

Each year, Council identifies ways to strengthen the process to update the Strategic Plan. For this update, Council sought to achieve greater focus by condensing their strategies and goals by reviewing them based upon four questions:

- Are the strategic goals accomplished or still relevant and reflective of strategic priorities?
- Are the strategic goals reflective of true strategic goals or more tactical, day-to-day functions?
- Do the strategic goals reflect evolving needs and priorities of the community?

Community Input

The Council's Strategic Plan Update will be publicly announced and placed on the City's website. Individuals are encouraged to provide input, ideas and recommendations about the City's Strategic Plan at any time through a Council Member, the City Manager or by email, phone or in writing or during time schedule for public appearance at Council meetings.

Costs vs. Benefits of Services:
Profiling a Critical Strategic Issue Facing the City of Manistee

In updating their Strategic Plan, City Council members and City management personnel devoted considerable attention to what may be the most strategic issue facing the City as well as Michigan and the Nation: how to provide and maintain services in a time of shrinking revenues.

The Issue

The City levies 17.3 mills for operations with 1 mill equaling about $195,000. The City is about .5 mill below the State mandated Headlee cap which, if levied, would generate about $97,000. The City does have about 2.2 mills that could be available under a vote to override the Headlee Cap.

This is not to say that the City wants to increase millage to support services. However, City revenues for supporting services are declining:

- The City anticipates a 2% to 3% decline in taxable value on properties in 2013 which will reduce revenues by $67,000 to $100,000.

- The City is also anticipating a potential loss of about $50,000 due to personal property tax reform.

- Due to decreased flows from the Oaks Correctional Facility to the City's wastewater treatment plant, the City's revenue from Wastewater Treatment services to the Oaks is down about $300,000. Further, the Oaks Facility is asking to revisit the contractual minimum in the agreement.

- Further, the City in 2009 accepted an additional cost of $40,000 per year for the new Community Aquatic Center and incurs $65,000 to $85,000 per year for operating the Ramsdell Theatre; plus a capital investment in the Theatre of $1.75 million.

The City has proactively taken a number of steps to reduce costs and create added revenue, including:

Cost Savings

- Elimination of City beach lifeguards
- Reduction of seasonal employees
- Elimination of most permanent part-time positions
- A reduction in full-time employees
- A reformed health care program
- A reduction of 6,000 hours in City Police road patrols
- Full funding of the City pension

Revenue Enhancements

- Timber harvest (once every 20 years)
- Sale of sand (one-time event)
- Increased revenue through BLS and ALS (2013) transport
- New investment strategy for Oil and Gas fund

The Challenge

The loss of revenues and increased fixed costs will require that the City continue to assess the benefits and costs of services provided and make prudent decisions that are in the best interests of City residents. While parallel initiatives are underway to assess and seek alternative revenue sources and identify opportunities for economies of scale through shared services with government partners, the City must continue to be vigilant and proactive about managing and funding services in a time of shrinking revenues and an uncertain state, national and global economy.

Three Year Strategic Goals

City Council has six areas of focus for their strategic goals:

1. Economic Development and Jobs
2. City Infrastructure
3. Beaches, Parks and Recreational Areas
4. Financial Stability and Continuous Improvement
5. Intergovernmental Relationships
6. Housing, Homelessness & Senior Citizens

Following are Council's Strategic goals for this Strategic Plan update. In many cases, the goals are accompanied by strategies of Manistee's City government.

1. Economic Development and Jobs

1.1 Goal To provide leadership for completing a comprehensive Manistee County Economic Development Plan and Strategy, coordinated by the Alliance for Economic Success (AES) that identifies and recognizes the roles and relationships of all entities involved with retaining, expanding and attracting businesses and jobs, including marketing, promotion, and maintaining updated resources for businesses and developers.

1.2 Goal To achieve 100 percent occupancy in the industrial park and the Renaissance Park and other industrial properties.

> **Strategy 1.2.1** Ensure City of Manistee has the intent and capacity to quickly react to potential new businesses in cooperation with AES.

1.3 Goal To collaborate with the AES and others to ensure that the Manistee harbor and port and related infrastructure and channel are maintained and developed to enable full and safe commercial navigation to support the retention, expansion and attraction of industry, business and jobs to the city, county and region.

> **Strategy 1.3.1** To engage the AES to host a session with neighboring communities and the federal and state agencies involved with commercial and recreational navigation.

1.4 Goal To engage the AES to continue to work with local businesses and industry to identify training and education needs and then to work with the K-12 schools and other educational institutions to address those needs.

1.5 Goal To focus on the revitalization of downtown, partnering with the Main Street/ Downtown Development Authority, the Chamber and the Alliance for Economic Success to achieve an energized, thriving downtown and community.

> **Strategy 1.5.1** Cooperatively assist with revitalization of the Vogue Theatre.

> **Strategy 1.5.2** Support plans and new ideas to deliver small businesses services and bring people to Manistee's downtown.

2. City Infrastructure and Facilities

2.1 Goal To evaluate, develop and oversee an asset management plan for restoration, preservation and maintenance of city owned assets.

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Strategy 2.1.1 Complete Building Asset Management Plan.

Strategy 2.1.2 Maintain full compliance with NPDES fixed date Combined Sewer Separation schedule.

2,2 Goal Develop a sustainable model for management of the Ramsdell Theatre to insure its long term operational needs.

Strategy 2.2.1 Complete the Ramsdell Theatre White Paper.

2.3 Goal To explore and develop public/private partnerships to provide and develop infrastructure and acquire property at target areas within the City limits to facilitate and promote redevelopment and economic activity.

Strategy 2.3.1 Work to acquire property rights from Morton Salt and Consumers Energy to redevelop the Ninth Street Boat Launch.

Strategy 2.3.2 Identify and map potential property for future economic development activity.

2.4 Goal To identify, invest and use appropriate technology city-wide to improve the efficiency, effectiveness and competitiveness of City operations and services.

Strategy 2.4.1 Continue partnership with Manistee County on GIS implementation. Develop Utility GIS management / system mapping.

Strategy 2.4.2 Enhance new website through continuous evaluation and use website and other social media techniques to increase communication with residents and visitors.

2.5 Goal To encourage and support the use of energy efficient technologies and construction methods and promote conservation and sustainability by example and incentive. Include consideration of "green" in any decision process.

Strategy 2.5.1 Continue use of and improvements to e-agenda for City Council.

Strategy 2.5.2 Develop a strategy for LED street lighting.

3. City Beaches, Parks and Recreation Areas

3.1 Goal To have the cleanest Lake Michigan public beaches and parks in Michigan with universal access to all people of all abilities, including children. This includes asking the AES to develop financial resources toward the implementation of the Beach Conceptual Plan.

Strategy 3.1.1 Focus maintenance efforts for the improvements made to Fifth Avenue Beach before expanding improvements and adding additional responsibilities required under the Beach Conceptual Plan.

Strategy 3.1.2 Develop a Parks Maintenance Management Plan which prioritizes Parks based on usage and seasonality, including a cost analysis for maintenance options in-house vs. out sourced.

Strategy 3.1.3 Maintain signage and foot patrols as budget allows to ensure compliance and enforcement with laws and ordinances governing city beaches and provide necessary safety devices on both Lake Michigan beaches.

Strategy 3.1.4 Explore location and associated policies that would allow responsible dog owners to have access to Lake Michigan and other public places in the City with their dogs.

3.2 Goal To have the best boating facilities on Lake Michigan's shoreline.

Strategy 3.2.1 Upgrade First Street Boat Launch in accordance with the First Street upgrade project, primarily focusing on persistent low water conditions in the Manistee River.

Strategy 3.2.2 Work cooperatively with the Explore the Shores county-wide initiative, specifically identifying the Ninth Street Boat Launch upgrades as a high priority.

Strategy 3.2.3 Research upgrading the current First St. boat launch auto attendant that will also include a back- up plan if the auto attendant is disabled.

3.3 Goal To develop and adopt a capital improvement plan for parks and recreation areas that recommends upgrades and costs and fully considers universal accessibility.

Strategy 3.3.1 Develop and implement Parks Asset Management Plan, prioritize needs and recommendations for annual budget for upgrades for parks, with emphasis on universal accessibility.

3.4 Goal To explore public/private partnerships to establish amenities and attractions and enhance recreational opportunities on beaches, parks and recreation areas for the City of Manistee.

Strategy 3.4.1 Identify and prioritize opportunities for public and private partnerships in the conceptual plan for the City's Lake Michigan beaches.

4. Financial Stability and Continuous Improvement

Goal 4.1 To achieve the strategic three-year goals set by City Council without increasing the millage rate.

Goal 4.2 To maintain a three-year financial forecast of revenue income, operating expenses and capital funding and identify potential trends that could negatively or positively impact achieving the strategic goals established by City Council for the City of Manistee.

(NOTE: The following strategy is related to Goals 4.1 and 4.2)

> **Strategy 4.1.1** Establish a yearly budget/strategic plan calendar to address key issues and upcoming dates (budgets, strategic plan review and updates, quarterly updates, State of the City, etc.)

Goal 4.3 To ensure that City Council and City Government have the capabilities to competitively position the City through a commitment to professional development, capacity building and leadership development.

Goal 4.4 To have an ongoing process to assess and ensure the efficiency and effectiveness of City services, programs and operations, including review of best practices from other communities and the assessment and expansion, if needed, of the City's "dashboard" as a tool for measuring meaningful progress.

> **Strategy 4.4.1** Complete White Paper reports as appropriate to increase efficiencies, intergovernmental cooperation, privatization opportunities, in sourcing opportunities all looking toward establishing an acceptable service level and continuing to look for opportunities to reduce costs. Short term priorities involve: development of an operation plan for the Ramsdell Theatre and white papers covering Community Development and the Clerk/Finance/Treasurer functions.

5. Intergovernmental Relationships

Goal 5.1 To collaborate with other units of government to leverage technology and provide services to citizens, such as wastewater treatment plant collection in Filer Township and joint economic development and safety services in the "Greater Manistee Area." We have asked the AES to re-energize "around the lake" discussions involving City Council and our government partners to define priorities and opportunities for improving communications and for collaboration and potential service sharing.

> **Strategy 5.1.1** Explore a collaborative meeting with our neighboring Counties and Cities for the same purposes as identified in Strategy 5.1.1

> **Strategy 5.1.2** Continue to explore intergovernmental service sharing opportunities identified in OSA report and in Departmental White Paper reports.

6. Housing, Homelessness and Senior Citizens

Goal 6.1 To focus on the long term housing needs of the entire population by partnering with the Manistee Housing Commission, Manistee-Benzie Community Mental Health, Downtown Development Authority and other communities to develop a housing strategy that responds to current and projected housing issues, including those involving homelessness prevention, housing for low income individuals and families and senior housing.

Strategy 6.1.1 To work cooperatively with the Manistee Housing Commission supporting their efforts to address low to moderate housing needs, homelessness as well as other projects to assist them in providing needed services for City and area residents.

For More Information about the City of Manistee, go to www.manisteemi.gov

The update of the Strategic Plan was facilitated with the assistance of the Alliance for Economic Success, a 501 (c) (3) organization that has the primary role for economic development of Manistee County.