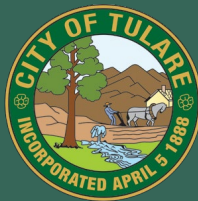


City of Tulare Strategic Plan Presentation

2023

Presented to City Council
Friday, January 27, 2023





City Manager

3.1 Purpose and Overview of the Special Meeting



Background

- City Council adopted a Strategic Planning Summary and Strategic Profile in January 2021.
- Those efforts were lead by the Mejorando Group and addressed; 1) the benefits of good government, 2) refresher on the form of government (roles and responsibilities), and 3) identification of key results areas including:
 - Fiscal Management
 - Economic Development and Innovation
 - Natural Resources
 - Arts and Culture
 - Smart Growth
 - Community Affordability
 - Community Engagement/Communication
 - Infrastructure
 - Community Health
 - Organizational Excellence
- The Strategic Profile includes the City's Mission Statement, Guiding Principles, and strategies for addressing the key results areas listed above. Management is not recommending any changes to these items at this time.



Background Continued

- **The purpose of this annual Strategic Planning Session is to; 1) establish a vision or direction (5-10 year horizon), and 2) establish this year's work program.**
- In 2022 the City did not hold a Strategic Planning Session because it was focused on obligating \$18,024,068 in Federal ARPA funds which effectively became last year's work program.
- Management will spend the first half of today's meeting presenting it's proposed 2023 Strategic Plan for Council's consideration. The second half of the meeting will be for Council to provide input and to review each member's list of projects and initiatives.
- The 2023 Strategic Plan will be developed through consensus and then presented at an upcoming Council meeting for adoption.
- While the adopted plan will be used to inform the budget process, **flexibility in implementation is important** given that more information will become available and new opportunities may present themselves throughout the year.



City Manager

3.2 Presentation of Draft Strategic Plan



Current Work Plan

- Many of the strategies identified in the adopted 2021 Strategic Profile are already underway or completed and so management anticipates continuing to work on remaining items in 2023.
- In addition, management continues to work on items identified as part of the ARPA project list including:
 - ARPA Consultant
 - Marketing
 - **Business Accelerator**
 - **Downtown Rehab Program**
 - **Downtown Masterplan**
 - **Homeless Shelter**
 - **Zumwalt Park**
 - Ladder Truck
 - Dispatch Radio Replacement
 - CAD/RMS
 - Hwy 99 Water Crossing
 - Financial System
 - Chambers Upgrade
 - Mission Oak Pool
 - Council Member Items



Capital Projects

- The following capital construction projects are planned for 2023:

• Prosperity and UPRR Crossing	\$2,800,096
• Sycamore & San Joaquin Improvements	\$6,487,870
• Academy & Apricot Improvements	\$7,434,068
• International Agri-Center Utility Relocation	\$1,529,168
• International Agri-Center Way Extension	\$5,097,223
• Tulare-Dayton Improvements	\$6,807,467
• Mountain View Improvements	\$5,521,134
• BVF Cover Replacement and Cleanout	\$4,000,000
• Industrial Dewatering Expansion	\$477,000
• Well 43 (Bardsley – K)	\$350,000
• Well 33 Rehabilitation	\$125,000
• Well 43 Equipping and I Street Water Main	\$4,000,000

- The following additional projects are under consideration:

• Oaks Street Improvements	\$4,111,500
• South K Street Improvements	\$7,052,283
• Miscellaneous Streets 1	\$6,419,008
• Miscellaneous Streets 2	\$5,093,885
• Miscellaneous Streets 3	\$4,569,949



SWOT Analysis

- In addition to the current work plan, management held several meetings to discuss future needs in order to develop a potential vision for the City's future.
- This effort started with what management believes to be the City's primary strengths and weaknesses as follows:

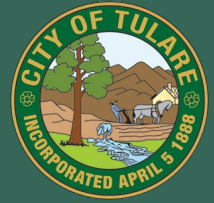
Strengths	Weaknesses
Motivated staff Politically stable Fiscally sound Communication Controlled utilities (WWTP) Location Affordability South Interchange Motivated community Partnerships Public safety Trust Climate Pride Outlet Mall Ag Center	Rising pension liability costs Water shortage Aging infrastructure Resistant to change Homelessness Lack of educational attainment Low wages Lack of skilled labor Unbalanced political representation Not a destination Communication Aging workforce



SWOT Analysis Continued

- Management has also identified what it believes to be the City's primary opportunities and threats as follows:

Opportunities	Threats
<p>Land availability Cannabis revenue Measure I South Interchange Ag Center expansion Cartmill Interchange Airport Downtown</p> <ul style="list-style-type: none"> • Zumwalt • Business Incubator • Homeless Shelter <p>Marketing/Promotions Diversity</p> <ul style="list-style-type: none"> • Cultural events • Youth <p>Political support for technology Broadband Inyo Corridor New investors</p>	<p>Legislature Economy Unfunded mandates Crime Recruitment Inflation Non-competitive wages and benefits Drought Increasing cost of housing Lack of funding for infrastructure</p>



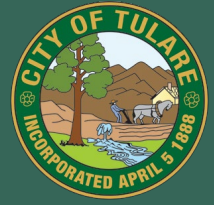
Additional Work Plan

- Management has identified a number of other projects and initiatives that will likely need to be addressed this year or in coming years as follows:
 - Labor Negotiations
 - Woman's Clubhouse
 - Nielsen's and Civic Affairs
 - Promoting the Arts
 - Corporation Yard
 - Domestic Treatment Plant Expansion
 - Masterplan Implementation
 - Del Lago Streetscape
 - Affordable Housing
 - Regional Sportsplex
 - Energy Saving Improvements
 - Airport Development (Aviation and Non-Aviation)
- **Part of the challenge is that each of these projects or initiatives alone are likely in the millions of dollars and collectively in the tens of millions of dollars if not more.**



Solution

- **In management's opinion, the primary solution is to continue our focus on economic development** which will increase private sector investment and job creation which in turn will result in additional tax and utility revenue for use by the City to fund these important projects and initiatives.
- Another approach is to accomplish shared goals through partnership with both the for profit and non-profit sectors as well as pursuing grants and earmarks when possible.
- The final approach is to right-size operations where feasible and to remain competitive from a fee and taxation perspective.



Solution Continued

- In management's opinion, focusing on economic development will include a number of initiatives including but not limited to:
 - Marketing
 - Economic Development Plan or Strategy
 - **Creating pipelines for project leads**
 - **Creating incentive programs**
 - Focusing on opportunity sites
 - Developing catalytic projects

- In management's opinion we need to be strategic in how we approach economic development opportunities but remain flexible and opportunistic. Some other opportunities may include but not be limited to the following:
 - Strategic annexation
 - Business park development
 - Inland port project



How to Proceed?

- In management's opinion, the City needs to utilize all of its land use authority, capital improvement program, and create new business incentive programs based on **“return on investment”** to attract complimentary businesses to Tulare.
- There are many other potential benefits than a financial return to the City including improving quality of life. However, those are typically considered secondary for the purpose of incentives.
- Financial return on investment in what is being proposed is different than how the market evaluates financial return on investment (ie. recapture of principal rather than interest earnings).

Question...

If offered, would you be willing to accept \$10,000 per year for the rest of your life on the condition that you would have to give back \$1,000 each year for the first five years?



Example “A”

- A developer proposes to expend \$1,500,000 to renovate a vacant building which will generate \$65,000 per year to the City in new property tax, sales tax, and hotel occupancy tax.
- The developer has requested \$250,000 to assist with building renovation costs. If approved, the City’s return on investment would be 4 years ($\$65,000 \times 4 = \$260,000$).

Question...

Would the City be willing to do this deal?



Example “B”

- A developer proposes to expend \$10,000,000 to construct a 15,000sq.ft. travel center resulting in \$386,000 in annual new property tax and sales tax to the City.
- In order to proceed, a new water line needs to be extended under Hwy99 to serve the travel center at a cost of \$500,000. That cost makes the project infeasible for the developer and so they have requested the City to front the cost with the developer paying it's pro rata share and the City to collect the balance from future development.

Question...

Would the City be willing to do this deal?



Example “C”

- Several developers are working to attract multiple new businesses along HWY 99 at the Cartmill Interchange. In order to attract Class “A” tenants they will require exemptions from the City’s signage regulations and to allow digital display boards.
- These new tenants will provide many of the services our community deserves along with significant new property tax, sales tax, development fees, and utility revenue.

Question...

Would the City be willing to do this deal?



Example “D”

- A developer constructs a new 500,000sq.ft. warehouse and distribution center with the hope of attracting a new long term tenant(s). In all likelihood, and depending upon the type of tenant(s), this facility will create a significant number of new jobs paying at or above the local average wage with benefits.
- In order to attract the right tenant(s) the developer asks the City to create a new incentive program allowing property tax or sales tax rebates which it can use to market to potential tenants.

Question...

Would the City be willing to do this deal?



Example “E”

- An important existing business which has over 100 employees has threatened to leave the community if they are not given some form of cash incentive to stay.
- They have also raised concerns that the City’s zoning code doesn’t allow for the amount of outdoor storage and assembly space necessary to support their growth and another community in California has offered to give them whatever they want to relocate.

Question...

Would the City be willing to do this deal?



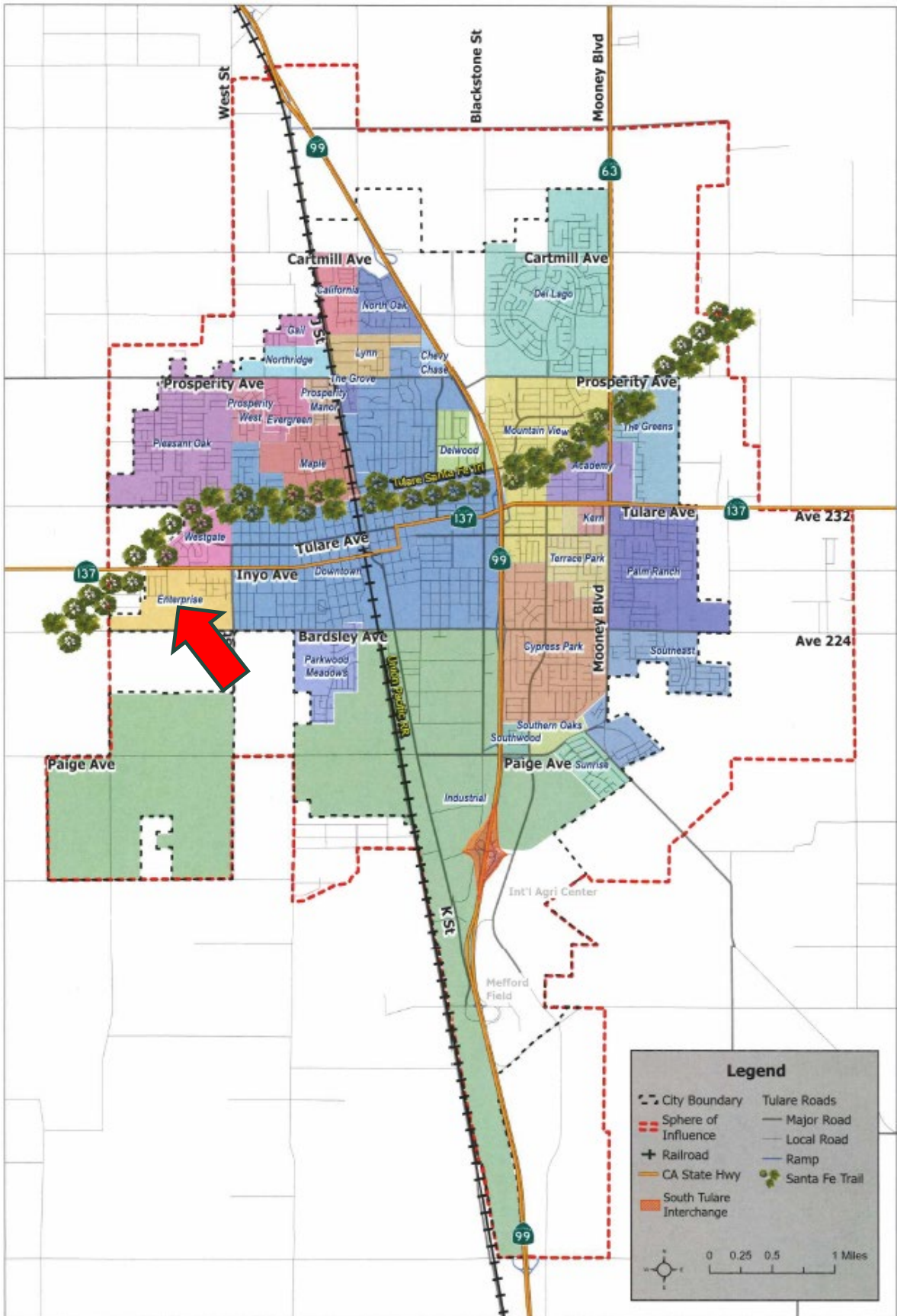
Challenge - Opportunity

- There are a number of challenges that could impact our economic development efforts including but not limited to:
 - CEQA
 - Construction supply chain issues
 - Cost of labor (non-right to work state)
 - Cost of electricity
 - Prevailing wages
 - Corporate taxation
 - Regulation (ie. Cal-OSHA)
 - Lack of state incentives
 - Out of state recruitment
 - Farmland mitigation
 - Local political will?
- **However, in management's opinion, there are number of companies that want to enter or expand in California because it is the largest consumer market and producer of goods in the United States and one of the largest in the world.**
- **We can make very good arguments that if you want to grow in California then the right place is in Tulare.**



Proposed Plan

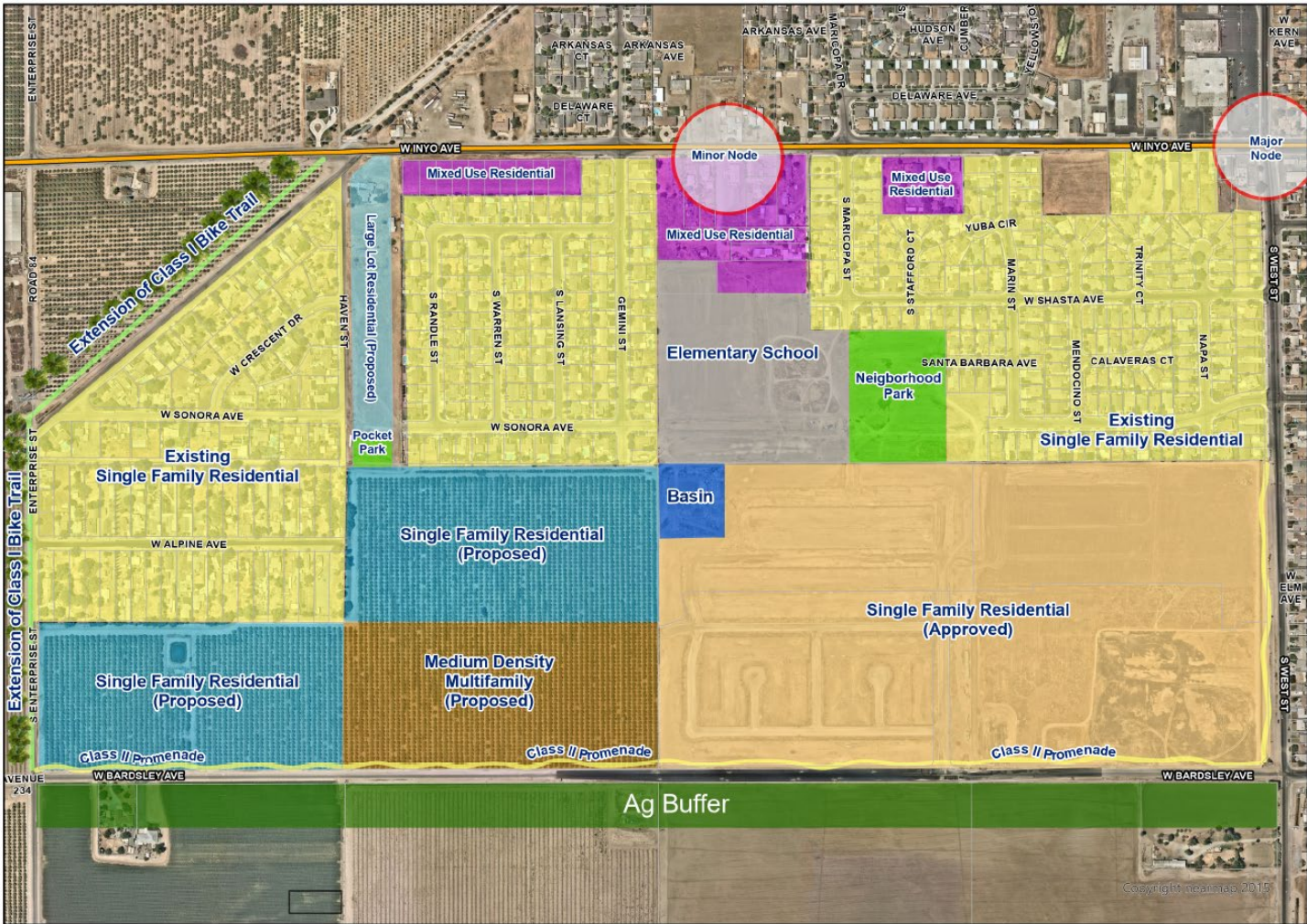
- The following concepts begin to paint a potential vision for Tulare's future that could include the following:
 - Regional Sportsplex
 - Trail System Expansion
 - Neighborhood Expansion and Redevelopment
 - Importance of Activity Centers
 - Potential Annexation
 - Potential Business Park
 - Potential In-Land Port Project
- **These concepts would require significant time, partnership, and financial resources but could pay huge dividends for the community in terms of revenue and jobs leading to long-term fiscal sustainability.**
- **Should Council so desire, management will begin the process of reaching out to potential partner organizations to solicit their interest.**



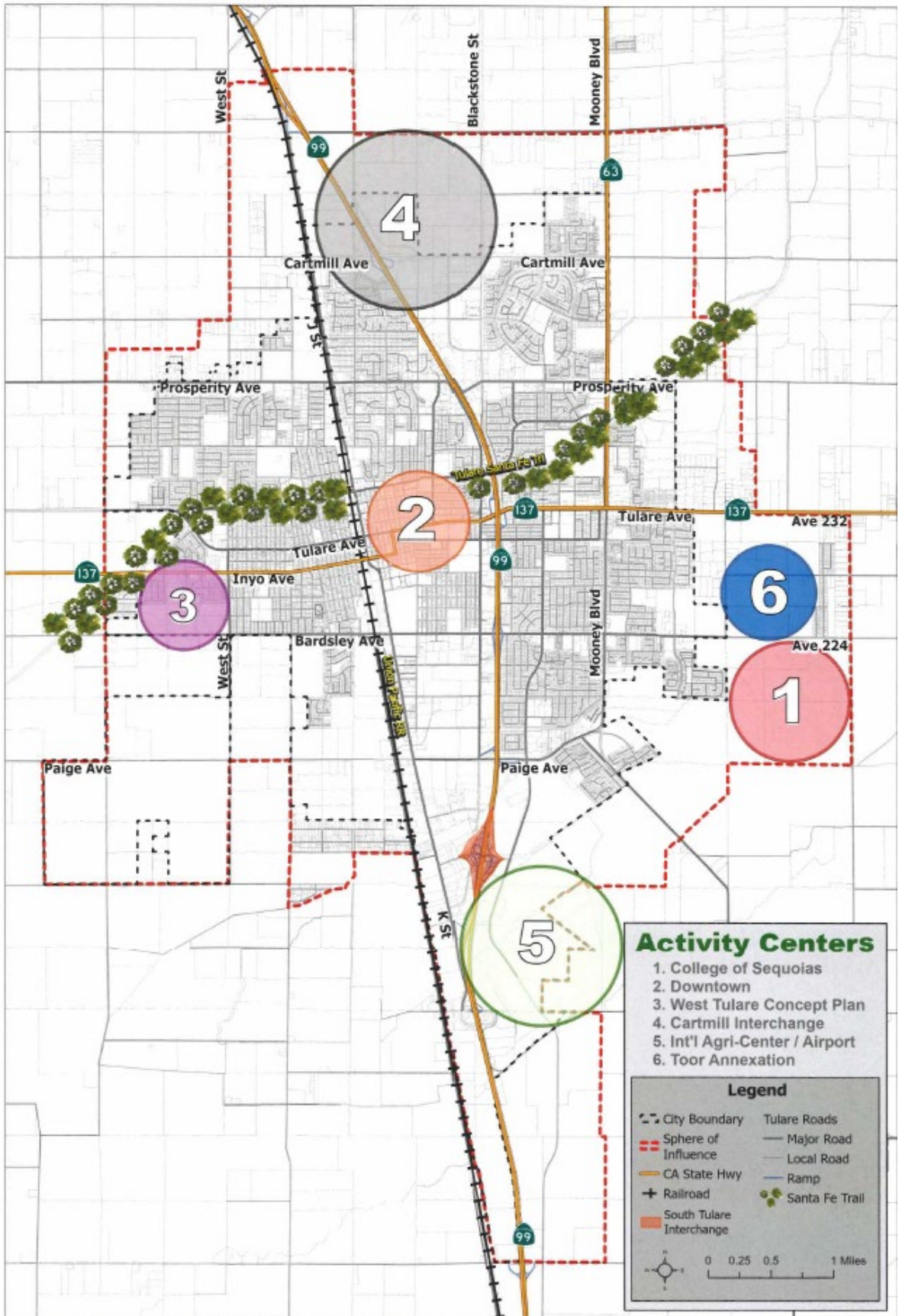
Legend

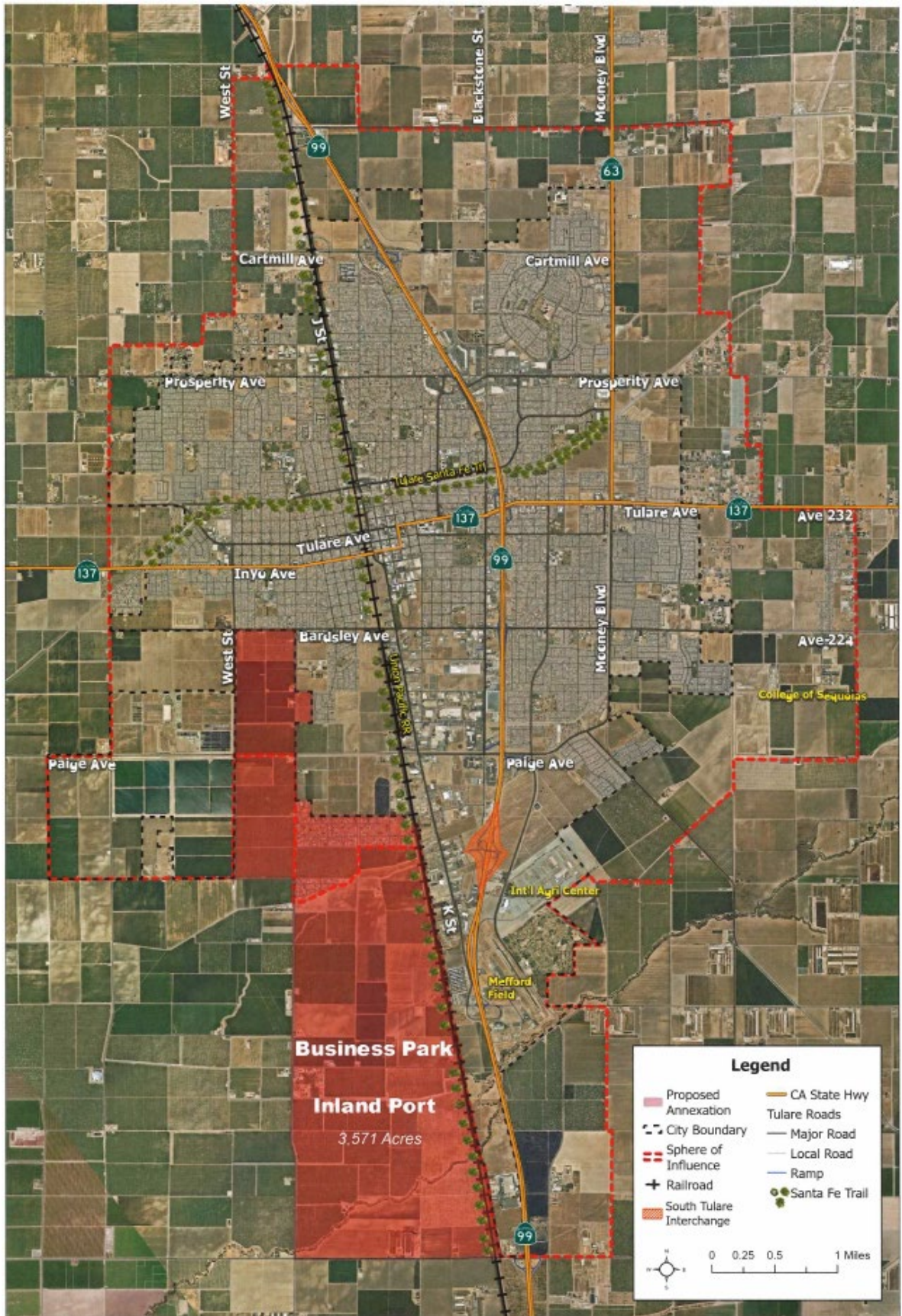
City Boundary	Tulare Roads
Sphere of Influence	Major Road
Railroad	Local Road
CA State Hwy	Ramp
South Tulare Interchange	Santa Fe Trail

0 0.25 0.5 1 Miles



Potential West Tulare Activity Center







Potential Inland Port and Business Park Project

- 
- **In summary, management is recommending that Council consider the projects, initiatives, and concepts presented herein and provide its comments so that we may work to reach consensus for future Council adoption.**
 - **Are there any questions?**



City Council

4.1 Provide Input on the Draft Strategic Plan



City Council

4.2 Discuss Additional Items



Councilman Harrell

- The following items are for Council consideration:
 - Medford Hanger Rehabilitation and Reuse
 - Woman's Clubhouse Rehabilitation and Reuse
 - Signalization of Bardsley – Hwy 99 Ramps
 - Additional Dedicated Turn Lanes
 - Improved Street Lighting
 - Address Downtown Vacant Buildings
 - Improve the K Street Corridor (Vacant and Dilapidated Buildings)
 - Develop Property at Tulare Avenue and West Street
 - Old Library Building
 - Address the Old Grammar School



Vice-Mayor Isherwood

- The following items are for Council consideration:
 - Address City's Development Standards
 - Cul-de-sacs (Lighting)
 - Improve Aesthetics at Four-Way Intersections
 - Additional Sidewalks
 - Improve Park Lighting
 - Collaboration with Partner Organizations to Discuss Community Improvement Projects
 - Improve Streets including;
 - Dover Canyon Drive
 - Bardsley-Mooney Intersection
 - Restriping Crosswalks
 - Mooney Center Lane Timing
 - Intersection Improvements (Cross – Mooney)



Councilman Mederos

- The following items are for Council consideration:
 - International Agri-Center Way Extension
 - Bella Oaks Exit at Mooney
 - Traffic Control M Street at Merritt Avenue
 - Public Works Administration Office
 - Energy Improvements at City Sites
 - Streamline Special Event Process
 - Old Library Building
 - Tulare Community Band Use of Senior Center
 - Old Nielsen's and Civic Affairs Buildings
 - Completing South Blackstone Avenue at K Street

Mayor Sayre



- The following items are for Council consideration:
 - Woman's Clubhouse
 - Special Study Sessions on Miscellaneous Topics (ie. Human Trafficking)

Councilman Sigala



- The following items are for Council consideration:
 - Economic Development
 - Public Safety
 - Community Beautification
 - Reward Program
 - Arts Funding

Conclusion



Final comments by:

- **Terry Sayre, Mayor**
- **Marc Mondell, City Manager**



ADJOURNMENT