

Economic Development Commission

Strategic Planning Process Initiative Report

Introduction

The structure of the City's economy influences the City's physical development and determines the City's capacity to fund essential services. Economic prosperity and development increase wealth and the standard of living for many who live and work within the City of Edmonds and are a key component of quality of life. Aside from a national or global economic recession, the Citizens of Edmonds deserve predictability and reliability regarding the government services they fund. A strong economy requires a strong, healthy and balanced community as a foundation. Thus, it is imperative that the City of Edmonds is positioned to create and maintain economic sustainability.

Strategic planning, helping to prioritize and balance community interests, is a valuable guide towards achieving economic sustainability. A well-conceived strategic plan, tied closely to measurable outcomes and a realistic implementation process, provides a city's leadership with the direction and authority to act decisively and seize opportunities as they arrive, and overcome obstacles. A strategic plan allows city leadership to make decisions with the confidence that they are responding to the citizens' needs and desires.

The Edmonds City Council approved Resolution 1224 which included a commitment to develop a strategic plan; this includes setting goals and continually assessing progress metrics. The Edmonds Economic Development Commission submits this report to the City Council for consideration and requests funding and authorization to undertake a strategic planning process consistent with Resolution 1224.

What is a Strategic Plan?

A strategic plan serves as a community's roadmap that will take us from where we are today to where we want to go in the coming years. The foundations of strategic planning are the statements we make that describe WHO we are, WHERE we want to go, and HOW we will strive for our goals and MEASURE success over time. That is, the strategic plan establishes a framework for carrying out strategic thinking, direction, and action. It also ensures the most effective use of limited resources by focusing those resources on key priorities.

Establishing a process that ensures broad community input is essential to the credibility of a strategic plan and its success. Developed in concert with its stakeholders, a strategic plan helps city leaders allocate limited resources to the programs that matter most to a community.

A strategic plan differs from other plans typically adopted by local governments in Washington – such as comprehensive plans or functional plans related to the Growth Management Act – in that it serves as a way to organize and prioritize initiatives and resources to achieve specific goals within a relatively short (3 - 5 year) time period. In this way, a strategic plan focuses on establishing near/mid-term goals, tactical approaches, and performance measures supporting a city's overall vision.

Currently, Edmonds prepares, reviews, and adopts many plans. Although the plans are consistent with one another, as required under the Growth Management Act, not all of the programs within each plan are prioritized against those in other plans. As such, the City has been following somewhat independent long term planning and goal setting processes by Council and staff. The Edmonds City Council represents seven individual views regarding priorities and vision, while a strategic plan helps decision makers establish a general consensus (representing all stakeholders) that city leaders can use to balance and direct limited resources, as well as rely on in their decision-making process.

Strategic planning offers:

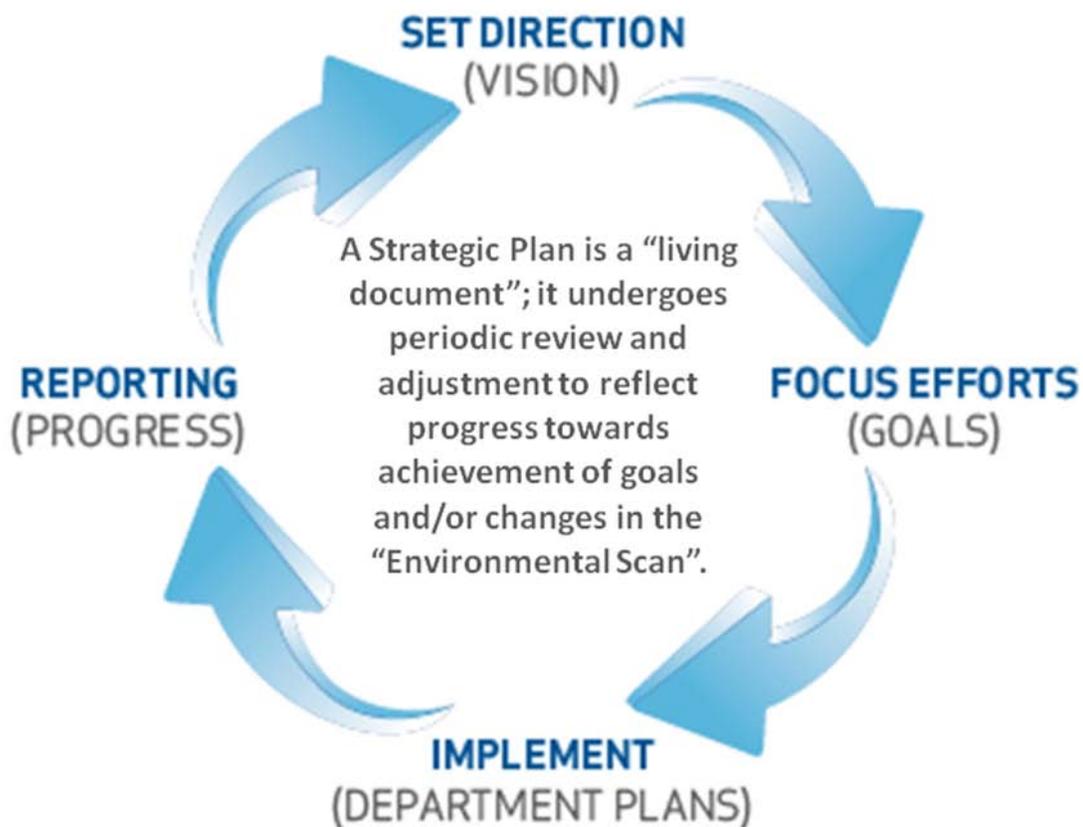
- A data- and analytically-based process
- Utilization of several input tools - citizen's local organizations - business owners – city employees, including managers, supervisors and senior staff - City Council, commissions and committees
- Comprehensive direction setting process with City Council, administration, and staff together utilizing input from the above sources
- Financial analysis of optimal strategies and direction setting
- An implementation process with specific departmental action plans
- Design of integration tools and monitoring processes

Strategic planning allows:

- A general alignment and focus of City Council, administration, and staff in addition to citizens, business interests, community groups, etc.
- Identification of how resources should be allocated
- A road map for achieving that direction – the plan
- Engagement - energizing and empowering the community and city leadership
- Thought provoking discussion and solicitation of new ideas
- Linkage to existing systems and processes within the city

A key element of the strategic planning process is that it is established proactively and transparently with community acceptance from the outset. The process should allow for both active and passive involvement ensuring diverse and extensive community participation. While the details of the strategic planning process are to be determined, a four step process may be considered:

- 1) Set Direction (Environmental Scan and Vision)
- 2) Focus Efforts (Goals and Priorities)
- 3) Implement (Department/Citywide Plans)
- 4) Reporting (Progress).



1. **Set Direction (Visioning Process & Consensus Building):** An initial step is to facilitate community input and assess assets and liabilities (environmental scan) to provide a vision and overall direction for the city.

- a. Environmental Scan

Conducting an internal and external environment scan means taking a look at, or reviewing, a community's resources, strengths and assets in light of trends and influences affecting the community. From this snapshot, a city can later extract key strengths of the community and develop strategies that support its priorities.

An *internal environmental scan* takes an inventory of your community resources. For example, these can include the people, health, education, businesses and job opportunities, housing, art and culture, leisure and entertainment, and geography.

An *external environmental scan* looks at what is happening outside of a community on a local, regional, national and possibly global level that may affect a community. This would include demographics, economy and lifestyle trends.

- b. Input

Community input is solicited in a variety of ways to ensure extensive breadth. By way of example, this could include (but is not limited to):

- i. Surveys via telephone, mail (i.e. via utility bills), on-line or in person (local festivals/events)
- ii. Diverse community outreach (i.e. stakeholder groups, neighborhood meetings)
- iii. Surveys and outreach that includes City Council, local organizations, commissions, committees, City employees, etc.

- c. Visioning

One component of the strategic planning process includes a community visioning process consisting of public meetings, focus-group sessions, open houses, and other outreach forums. These gatherings would result in the submission of a multitude of

suggestions from members of the Edmonds community. The hopeful outcome is a community vision entailing guiding goals, each with specific visioning targets that could serve as a framework for the following phases of a strategic planning process.

2. **Focus Efforts (Goals and Priorities):** The environmental scan, community-wide survey and public visioning exercises will help provide information that can be used to focus the city's actions towards achieving the vision. Specifically, the City Council would for example, identify long term (5 and 10-years) strategic goals that will direct long-term decision making for the city. Short term (3-year) priority goals will also be established that direct actions over a Council member's term.
 3. **Implement (Department/Citywide Plans):** The initiatives necessary to implement the strategic plan will be summarized in department business plans (and incorporated into citywide plans). Departments will outline the actions they will undertake to achieve the short term priority goals and specify operating budgets necessary to support these activities.
 4. **Reporting (Progress):** The strategic plan includes performance measures for the long term strategic goals. These measures will form the basis for an annual reporting of progress towards the long term goals and in realizing the vision. Measurements of strategy success will undergo a regular review by City Council.
 - a. As short term goals will guide the decision-making at the department level, the progress of the city in support of these priority goals will be reflected in department operational and capital plans.
- ✓ **Periodic Review:** A strategic plan is a "living document"; it undergoes periodic review and adjustment to reflect progress towards achievement of goals and/or changes in the "environmental scan" and resulting modifications of the goals.

Why Should Edmonds Develop a Strategic Plan?

Having an adopted strategic plan is as important to a community's future as architectural plans are to building a home. The development of a strategic plan allows city leadership to make decisions with the confidence that they are responding to the citizens' stated desires.

Local economies are always changing and the greater Edmonds area is no exception. Specifically related to the City of Edmonds, its financial stability has been slowly deteriorating for the past several years and current projections show that annual revenues generated within, and collected by, the City will fall below expenses within the next couple of years. Without change and adaptability, a community can become stagnant or decline which has a direct effect on a city's ability to fund operations, services and capital projects. This includes the kinds of investments that augment our quality of living. There have been lost opportunities in Edmonds' past such as decisions to not annex Aurora and James Villages, no action taken in 2006 to undertake a recommended Waterfront Redevelopment Planning Process, decision to not approve The Hotel Group Development Project on Sunset Avenue, etc., and it is important not to miss future opportunities. Successful communities today acknowledge their past and allow a vision for the future to guide them through the changes needed to prosper; Edmonds is no different and needs a roadmap for addressing future directions using a proactive approach (based on established consensus) that enables us to seize opportunities.

A strategic plan is a crucial tool for city decision makers. It can inform decisions by establishing a framework for setting priorities and educating leadership about the citizens' priorities for public and private funding. A strategic plan helps inform a Mayor and City Council about city services, programs, and infrastructure that matter most to the citizens and which should receive paramount attention in budgets. While the City of Edmonds plans on many levels, primarily for elements tied to the City Comprehensive Plan, and while these elements involve strategic planning for particular areas, an overall city strategic plan is different: it is used to prioritize initiatives, resources, goals, and department operations and projects, in addition to making that information readily accessible to the public. In this way, it helps prioritize and organize efforts within an observable and understandable timeline, and ensures that all stakeholders are working together toward the same goals and priorities. These aspects of a strategic plan are especially important in an era when government is faced with the challenge of doing more with less and allocating tax dollars where they

are most needed. It ensures the most effective use of a city's limited resources by focusing the resources on key priorities. A strategic plan provides a framework for city leaders.

Many cities have found that the development of a strategic plan has succeeded in bringing various stakeholders together thereby facilitating a greater sense of community, reducing tensions amongst those representing competing interests with the recognition that everyone is working towards a common goal of creating the best city possible. A strategic plan helps to align and focus City Council and staff. In effect, decision-making becomes easier when priorities have already been agreed upon. A strategic plan engages and energizes both citizens and the city leadership.

The Edmonds Economic Development Commission communicated with several cities that have developed strategic plans to learn about their experiences with their plans – are the plans used, and have they been valuable? We learned that as the economy has become increasingly challenging, cities have used their plans more and more. Strategic plans have proved their value.

A strategic plan is a contract between citizens and their local government that establishes where a city is going and how it will get there.....and includes transparent methods of measuring the progress of implementing the plan. Creating a strategic plan for the City of Edmonds would help direct the City toward positive change(s) and would serve as the City's roadmap for policy direction. As such, a strategic direction for the City will help establish priorities for Edmonds' government to focus its staff time, energy, and money.

**An adopted Strategic Plan is an investment in our community.
An inclusive, well designed process may be the best investment the City can make in its future and the potential return on this investment is substantial.**

Strategic Planning Process

The development process is key to assuring that the resulting strategic plan is both useful to its implementers and supported by its stakeholders. While funding often determines how many of the tools available to the planner are used to solicit community opinions, there are many approaches to gathering opinions that assure the process is inclusive even at moderate levels of funding. The process outlined below provides an idea of the steps taken in the process of developing a strategic plan and the many tools available.

Staff develops RFQ (consult with Commission) including steps outlined below.

Consultant team selected through competitive process.

Selected team works with City staff:

1. Visioning process – consultant facilitates
 - a. Establish steering committee (staff, public officials, stakeholders)
 - b. Stakeholder/focus group meetings
 - c. Public meetings
 - d. Surveys
 - e. Open house/community feedback
 - f. Develop guiding principles
 - g. Reach consensus on 4 to 7 goals
 - h. Analyze key issues related to the 4 to 7 goals
 - i. Define and prioritize goals
2. Environmental Scan (simultaneous with visioning)
 - a. Internal – include City plans, what goes on in the community
 - b. External- bigger picture of regional/national politics, economic trends and developments that may impact what goes on in Edmonds (e.g. current emphasis on transit oriented development, sustainability etc.)
3. Develop and refine 4 to 7 Strategic Goals from visioning process, stating them in the context of previous / current planning.
4. Develop implementation and funding strategies for each goal – how can these priorities be implemented.
5. Create an inclusive document to describe strategic steps to achieve each Strategic Goal – this can be more of a work plan, but also needs to include process for evaluation of progress and updates.

Present prioritized recommendations to public and City Council – what do we need to do first, what follows, and longer term. City Council and Staff, strategic planning steering committee, citizen and business focus groups, public meetings, workshop open houses, surveys, review of existing plans – all contribute to developing implementation strategies.

The strategic planning process involves the ENTIRE Edmonds Community! Only in this way can it provide the necessary consensus for success.

Empowering the Community – Energizes the Community!

Costs

Based on communications with four firms with expertise in conducting this type of study/process, the estimated cost of undertaking a strategic planning process and creation of a strategic plan ranges from \$60,000 to \$200,000. Typically, the more complex the study, the higher the price. A higher cost study usually allows consultants to conduct a more thorough analysis and further refine assumptions, thus improving the degree of confidence in the information gathered.

Based on the general expectations and scope of work discussed by the Edmonds Economic Development Commission, the Commission recommends that the City Council allocate a budget range of between \$85,000 and not to exceed amount of \$175,000 for this effort, which represents +/- 35% of the midpoint of \$130,000. This figure is subject to revision following the review of qualified submittals in response to a Request for Proposals, and a refined scope of work once a consultant is hired.