

ARROYO GRANDE CRITICAL NEEDS ACTION PLAN

This is a particularly challenging time for the City. Revenues have dropped dramatically over the past two years and negative trends continue. Meanwhile, the City recognizes and is sensitive to growing concerns from the public regarding spending and activities at all levels of government. However, at the same time, the community is facing a number of important needs and opportunities to address them.

As a result, the City has initiated what is being called a Critical Needs Action Plan process to obtain public input and prioritize top major needs. This will better enable the City to target financial and staff resources on those items that are critical at this time and coordinate them in a comprehensive plan to be funded in a responsible way.

The preliminary major priorities include: maintaining existing service levels; operational efficiencies; economic development; street and sidewalk improvements; the Brisco Interchange improvements; the Police Station project; and water supply measures. Public education and feedback will be implemented through presentations to civic organizations, public workshops, public education mailings, and a government access cable channel program.

Over the past several years, the City's budget priority has been on maintaining its services to the community. As a result, an emphasis has been placed on organizational cost efficiencies. Recent and current efforts include: consolidation of fire services with Grover Beach and Oceano, consolidation of regional dispatch services, consolidation of the City's maintenance services into one department, consolidation of all development permit related services into one department, and sale of excess properties. One of the key objectives of acquiring the former Farm Credit building was to increase efficiency of City operations by cross training staff and consolidating operations.

The City has made adjustments to balance the budget through Fiscal Year 2010-11. However, given current trends, future operational shortfalls are likely beyond that time period. As a result, the City has accelerated its economic development efforts to improve the local economy and stabilize City revenues within the next two year period. Coordination with property owners and developers regarding new commercial opportunities at a number of locations is under way.

The City has maintained its commitment to utilizing funds from the 2006 local sales tax measure for the intended purposes. As a result, while the City is facing challenges in funding its ongoing operations, it is able to continue an aggressive capital improvement program. Upcoming street improvement projects include West Branch Street, Pearwood Avenue, Orchard Street and the surrounding neighborhood, and El Camino Real. The City has funded a number of new sidewalk projects, primarily aimed at completing connections to schools. Funding will now be focused on sidewalk repairs with a goal of addressing all needed repairs within the next three-year period.

Addressing deficiencies at the Brisco Interchange remains one of the City's top priorities. Funds have been reserved for the project. The primary challenge has been developing a plan that meets Caltrans design standards. A new alternative has been developed which has increased the feasibility of the project. The City is hopeful that approval of a plan can be completed within the next year, which would enable the City to pursue State matching funds for construction.

A funding plan for a new Police Station will be voted on by the public at the June 8th election under Measure A-10. By combining bonds for the Police Station with refinancing of the 2003 Fire Station bonds, as well as use of local sales tax funds, it will enable the City to issue the bonds without increasing the annual property tax assessment rate. The new station will address a number of operational needs and was proposed at this time to take advantage of a decrease in construction costs.

Lastly, recent rains were helpful in addressing concerns regarding seawater intrusion into the groundwater table, but issues remain regarding long-term water supply. Progress is under way on studies regarding potential additional water supply measures, including recycled water, State water and additional conservation efforts. Staff is confident that the necessary findings and recommendations will be completed by June 2010 to end the existing moratorium.

Citizens are encouraged to provide input regarding these items and announcements will be distributed regarding upcoming meetings. Feel free to also contact City Hall at 473-5400 to make arrangements for a presentation to a local organization or group.