

INDIAN WELLS CITY COUNCIL

May 16, 2024



To: City Council
From: City Manager Department
Prepared by: Christopher Freeland, City Manager
Subject: **2024 City Council Strategic Planning Session**

RECOMMENDED ACTIONS:

Council **RECEIVES** and **FILES** the action items from the 2024 City Council Strategic Planning Session.

DISCUSSION:

Strategic planning determines where an organization is going over the next year or more, how it's going to get there, and how it'll know if it got there or not. This is the City's "Game Plan." The focus of a strategic plan is to outline the goals of the City Council for the entire community/organization over a period (one, three, or five years are common). Goals-based planning starts with focusing on the organization's vision and/or values, selecting projects and programs to meet and achieve the goals, analyzing the resources needed and available resources, and finally, who will do what and by when.

Goal setting by the City Council has the following benefits:

- Formally adopted City Council Goals provide official direction to plan and organize resources to ensure their completion.
- The strategic plan is used to identify funding priorities for inclusion in the City's two-year budget.
- A better understanding by citizens and staff of the City Council's plans as a single governing body for the future of the City of Indian Wells.
- Goals are established to meet the changing needs of the community.
- City staff is more focused and effective in addressing City Council priorities.
- City staff is more accountable to the City Council for achieving City Council Goals.

At the April 2, 2024, City Council Strategic Planning Session, the City Council provided the following recommended goals and activities for 2024. These goals and activities are in addition to the goals from 2023 that were presented at the March 7, 2024, City Council meeting.

City Council Fiscal Policies

The City Council and Housing Authority were provided an update on the financial status of the City, including a healthy cash reserve, projected General Fund surplus of over \$28 million over the next ten years, repayment of former redevelopment agency loans to the City of over \$9.2 million, and the development of new revenue sources (e.g., developer fees, future TOT revenues, and an operational Community Facilities District). In addition, staff provided an update on the Housing Authority fund, which is expected to run out of money in Fiscal Year 2028-2029 based on current financial conditions. Moving forward, staff will continue the following:

- Continue the Council Policy of reserving \$2 million annually for long-term capital replacements.
- Continue the Council Policy of maintaining a fully funded pension program.
- Bring forward the implementation of the citywide operational Community Facilities District.
- Examine and develop recommendations to address the declining Housing Authority fund balance.
- Provide the Council with regular financial updates on projections and performance.
- Work with Genton Development and Tommy Bahama to bring forth their projects to generate new revenues for the City.

Capital Improvement Program Update

The Capital Improvement Program (CIP) is the City's comprehensive multi-year plan for the development of the City's capital facilities, improvements, and maintenance. The plan outlines the expected capital projects over a five-year period. Capital improvement projects include the construction, acquisition, expansion, rehabilitation, or non-routine maintenance work that generally exceeds \$5,000 and results in the creation or preservation of a City capital asset.

The City Council received a report from Public Works on CIP projects completed this fiscal year, projects planned for the summer, and other projects that are currently in design. Public Works also acknowledged the significant amount of community participation in addressing current and future CIP projects that improve public safety in the community (e.g., traffic safety plan, safe streets, sidewalk projects) and how essential public participation is in designing new amenities in the community.

The Council unanimously supported a review of CIP projects by Public Works that may be accelerated, especially those with a public safety component. In addition, the City Council requested that Public Works examine the possibility of accelerating other capital projects (e.g., residential pavement projects). A report responding to the City Council's request is a separate item on today's agenda.

Indian Wells Golf Resort

The City Council was provided with a comprehensive financial update by the Finance Director regarding the overall performance of the Indian Wells Golf Resort. The presentation encompassed a thorough review of the financial performance measures adopted by the Council, which Troon is tasked with overseeing in managing the operations of the Golf Resort. Additionally, the Finance Director conveyed that the profitability of the Golf Resort has reached its peak in the current and preceding fiscal years. Notably, the Golf Resort has achieved profitability for the first time this fiscal year, encompassing all operational and capital expenses.

Troon management provided an update on solid performance in golf operations (e.g., rounds played, average rate paid, merchandise), improvements in the golf academy, improved agronomy performance with new capital equipment, efforts to improve course conditions, reopening of the Fairway Grill, efforts to address struggles in the Vue restaurant, success of Shots in the Night/Top Tracer, and other operational updates. In addition, there is a brief discussion on the need to improve the Golf Resort Maintenance Yard facilities. Troon will continue efforts to operate more efficiently, address deferred maintenance issues, and identify opportunities to improve the net operating income of the golf resort.

Troon also provided an update on the reconceptualization of the Vue Restaurant. The Vue Restaurant will close after Memorial Day 2024 and reopen in September/October 2024 as a new Richard Blais signature restaurant.

Finally, Troon and City staff presented an update on the possible redesign of the Players Course, including redesign objectives, outreach to various designers, the need to rehabilitate the course if not redesigned, and cost estimates for the multiple options. At the conclusion of the discussion, the City Council approved (4-0) the moving of Holes #17 & 18 to the north side of the Whitewater Channel and approved (3-1) having the redesign completed by John Fought and for him to prepare the necessary design and bid documents.

FISCAL IMPACT:

This staff report is informational only; there is no fiscal impact.