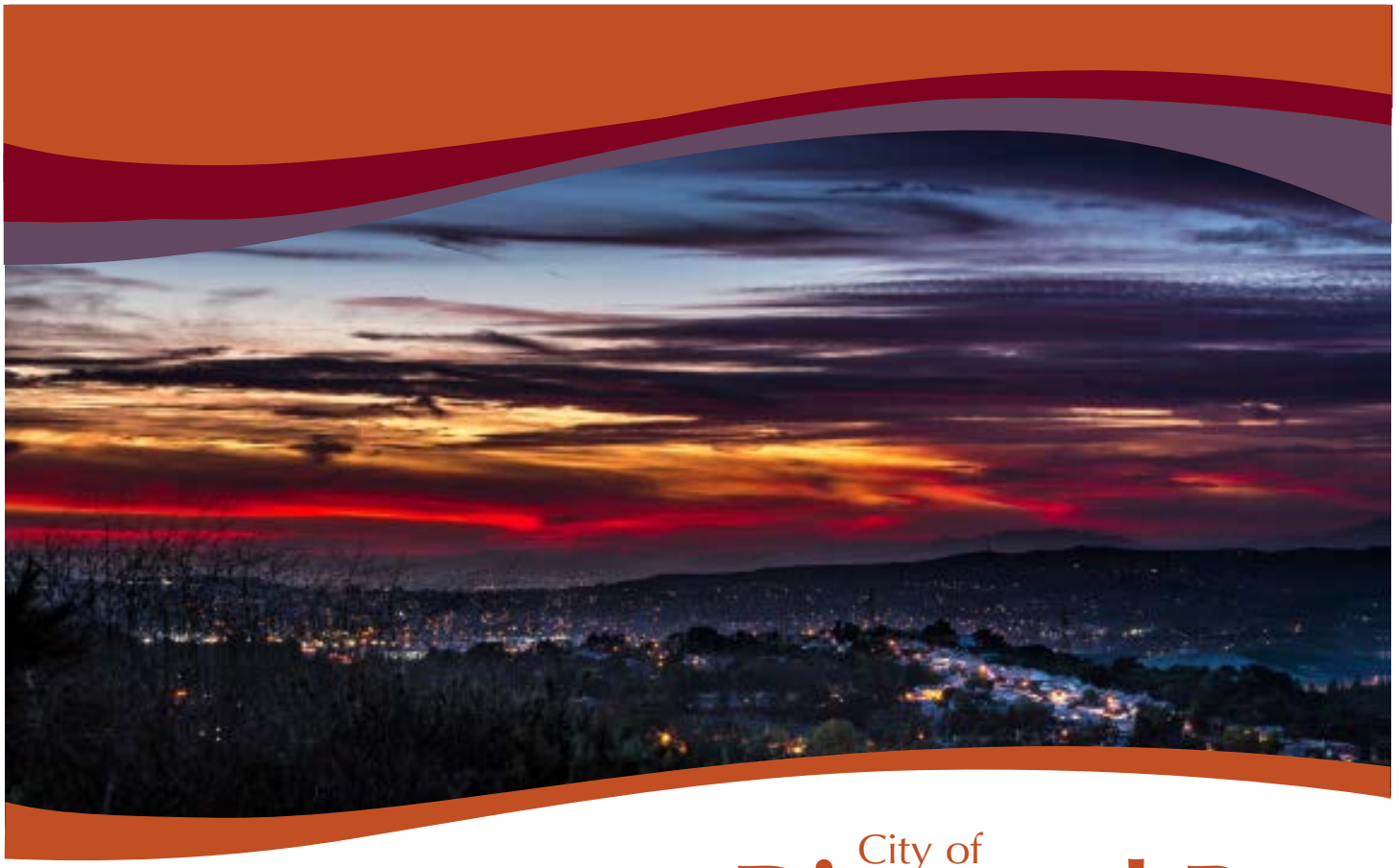

City of
Diamond Bar

ANNUAL BUDGET

Fiscal Year 2016 - 2017

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Agenda # 8.1(a)
Meeting Date: *June 7, 2016*

CITY COUNCIL AGENDA REPORT

TO: Honorable Mayor and Members of the City Council

VIA: James DeStefano, City Manager

TITLE: ADOPT RESOLUTION 2016-XX – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DIAMOND BAR APPROVING AND ADOPTING A BUDGET FOR THE CITY OF DIAMOND BAR FOR THE FISCAL YEAR COMMENCING JULY 1, 2016 AND ENDING JUNE 30, 2017, INCLUDING MAINTENANCE AND OPERATIONS, SPECIAL FUNDS AND CAPITAL IMPROVEMENTS AND APPROPRIATING FUNDS FOR ACCOUNTS, DEPARTMENTS, DIVISIONS, OBJECTS AND PURPOSES THEREIN SET FORTH

RECOMMENDATION:

Approve and adopt incorporating amendments, if any, made at this meeting.

FINANCIAL IMPACT:

The City Manager's Draft Recommended Budget as submitted reflects General Fund Estimated Resources of $26.1 million with appropriations of $25.8 million. This results in an increase of nearly $355,000 to the General Fund reserves from annual operations. In addition to the annual appropriations, the proposed budget includes the use of General Fund Reserves in the amount of $1.9 million. The City will be starting its fiscal year with an estimated General Fund reserve in the amount of $18.8 million. If approved, the FY16-17 Municipal Budget anticipates an ending General Fund reserves of $17.3 million based on projected revenues and expenditures.

The proposed budget includes a Capital Improvement Program that amounts to $19.6 million and spending plans for the various Special Revenue Funds and Internal Service Funds.

BACKGROUND & DISCUSSION:

Each year the City Manager prepares and submits a draft municipal budget for review and adoption. This year the draft budget was presented to the City Council during a study sessions held on May 17, 2016 and June 7, 2016.

In FY 2015-16 the economy continued to stabilize and the City of Diamond Bar realized modest increases in most major revenue sources. FY 2015-16 saw the final homes being completed in the

Willow Heights housing development. There has been an expanded effort in economic development endeavors on the part of City Council and City staff in order to diversify the sales tax base of the City and offer more options for residents to shop and dine in Diamond Bar. Part of staff's focus during the budget development process has been to examine departmental operations and staffing in order to provide the residents of Diamond Bar the outstanding service to which they have become accustomed at the lowest cost possible while preserving the City's valuable resources. With this in mind, the City Manager has recommended some departmental realignments in order to better suit the needs of the residents and manage resources more effectively. They are outlined below in the "Personnel" section. A continued focus during the budget development process has been to examine various programs while identifying program revenues vs. program expenditures. This helps to identify what portion of these programs are being subsidized by the General Fund and whether it is an appropriate use of resources which benefits a majority of the residents. A citywide fee study has commenced and will be completed in FY 2016-17 for Council's review.

The City received the final development fees related to the Willow Heights project which amounted to nearly $900,000 of one time funds. City management is proposing that those funds (plus additional anticipated FY 2015-16 surplus) are used to replenish some of the special revenue and internal service funds which have been depleted in recent years. It is proposed that the funds be moved during FY 2015-16 as follows:

General Plan Fund	$ 240,000
Technology Reserve Fund (new)	200,000
Traffic Mitigation Fund	300,000
Equipment Maint & Replacement Fund	100,000
Building Maintenance Fund	200,000
Total	$1,040,000

After replenishing the recommended funds, it is anticipated that the excess General Fund resources over appropriations will be $1.45 million with a General Fund reserve balance of an estimated $18.8 million.

The FY 2016-17 budget as proposed is balanced and provides for growth in General Fund operating reserves in the amount of nearly $355,000.

Items of Note Included in the Budget:

GENERAL FUND

Resources

The draft FY 2016-17 General Fund Budget estimates resources for the fiscal year in the amount of $26.1 million. Budgeted revenues for FY 2016-17 are expected to be down approximately 5.4% over FY 2015-16 projected revenues. This reduction in revenue is due primarily to the one-time revenue realized in FY 2015-16 related to the Willow Heights housing project.

Property Taxes – Property tax revenues are estimated at $4.8 million. The FY 2016-17 projections assume a 4.0% growth in secured property taxes based upon the rebounding and stabilizing real estate values and home sales in the Los Angeles Area. The growth in the property tax roll for the current year is 5.5%

Other Taxes and Fees – The revenues in this category include sales tax, sales tax compensation, transient occupancy tax, franchise tax and property transfer tax. This category is projected to decrease 7.9% during FY 2016-17 due to the receipt of one-time adjustments to sales tax revenue in FY 2015-16 along with the recent lower fuel prices.

State Subventions – There is an estimated increase of $193,000 in this category. This category is made up primarily of Property Tax in Lieu of Vehicle License Fees which is based on the rising property tax values in the City.

From Other Agencies – Included in the proposed budget is the sale of Prop A funds in exchange for General Fund revenue. The sale of this restricted funding source in exchange for General Fund money gives the City more flexibility to use the funds at its discretion. This exchange would result in an additional $450,000 in unrestricted funds.

Current Service Charges – Estimated resources in this category are down approximately $1.1 million over FY 2015-16 projections to $2.9 million. This category reflects planning, building, engineering and recreation fees. The decrease is due primarily to the completion of the Willow Heights housing project during the current fiscal year and the one time receipt of developer fees.

Cost Reimbursements – During FY 2016-17, the reimbursement from Calvary Chapel for Sheriff's services has been reclassified from "Special Event Fees" to the more appropriate category of "Cost Reimbursements". This is anticipated to be approximately $100,000.

Use of Fund Balance Reserves – As mentioned earlier, the General Fund Resources includes the use of $1.9 million in General Fund reserves to fund the following appropriations:

- **Capital Improvement Projects (CIP) $1.23 million** – During FY's 13-14 and 14-15, the City sold its restricted Prop A funds to the City of Industry. One project funded by this exchange is being carried over into FY 16-17 resulting in the remaining funds going into General Fund reserves at the end of FY 15-16. The remaining proceeds from this sale will be used to complete the Morning Canyon Parkway Improvements ($318,099). Other projects that will use General Fund reserves include a Street Clock at Diamond Bar Blvd and Grand Ave. ($52,000), City Entry Monuments at Golden Springs Drive/Calbourne and Diamond Bar Blvd/Temple ($120,000), Groundwater Drainage Improvements ($225,000), Diamond Bar Blvd Streetscape (Golden Springs Drive/60 FWY) Design ($300,000), Washington Street Enhancement ($110,000), City Hall Server Room HVAC ($80,000) and the Diamond Bar Center Restroom Lighting Remodel ($25,000).

- **Professional Services – Revenue Measure $155,000** – On March 22, 2016, the City Council approved the use of reserves to hire TBWB Strategies to explore its options for a variety of funding mechanisms that would provide the City with a more robust, diverse and

consistent revenue stream that are not subject to State siphoning during economic downturns. This amount represents a carryover of the remaining funds available for this project.

- **Economic Development - $334,564** – This year's recommended amount is allocated primarily for consultants, marketing and other related work for a number of potential sites.

- **Transfer Out – LLADS $196,547** – The City Council has started taking steps toward recovering more costs related to maintaining the City's Lighting and Landscape Assessment Districts (LLADs). After successfully returning to the original property tax levy in District 39 at $236 per parcel, the General Fund no longer has to subsidize District 39. In fact, for the first time in several years there is a slight surplus that will be carried over to help offset rising costs in the future. The other two LLAD's continue to be subsidized by the General Fund. In FY 16-17, it is anticipated that a total of $196,547 ($113,453 for District 38, and $83,094 for District 41) is required to maintain current service levels. Staff recommends this be funded with reserves. This recommendation is approximately $22,000 more than the anticipated reserve contribution in FY 2016-17.

Appropriations

The draft FY 2016-17 General Fund Budget estimates appropriations in the amount of $25.8 million. Every effort has been made to keep appropriations at or near the FY 2015-16 Mid Year revision with few exceptions. The following are items of significance which have been incorporated into the recommended budget:

- **Cost of Living Adjustment/Benefit Allotment** – Each year, the City Council adopts the Compensation Plan for the upcoming fiscal year which includes all employee positions and associated salary ranges. The City's Personnel Rules and Regulations specify that the City Manager may request that the City Council authorize a cost of living adjustment (COLA) for City employees based on the March-to-March rates of the federal Consumer Price Index (CPI) for Wage Earners & Clerical Workers in Los Angeles/Orange Counties. This year's CPI for the established period is 1.34%. As presented in the budget, the recommendation is a 1.5% COLA for all benefitted employees in addition to a $50 per month increase to the Benefit Allotment. With the monthly Benefit Allotment increase, full-time non-exempt staff will receive $1,220 and full-time exempt staff and City Council Members will receive $1,250 to be used towards health benefits. The COLA, increase to the benefit allotment and various updates to the City's classification and compensation plan results in a grand total of $110,177 in additional personnel costs, $83,612 of which has a General Fund impact.

- **Personnel** – Via the adopted FY 2016-17 Goals & Objectives, the City Council has made the development and maintenance of a professional and effective workforce to serve the public a priority. It is then the duty and responsibility of the City Manager to periodically review departmental operations and staffing structures for efficient, cost effective, and economical delivery of services to the public and to conduct long-term organizational and succession planning. Therefore, the City Manager has identified the following as the first phase of objectives in meeting this goal:

1. Realignment of all park and facility maintenance functions and capital improvement projects (CIP) from Community Services to Public Works under the supervision of the Public Works Director, as is typical in many municipal organizations. As the City has matured and the number of properties requiring city operation and maintenance has increased, it is prudent to centralize the maintenance function to provide a more efficient and coordinated response to the development and upkeep of such public facilities. As a result of the additional duties, responsibilities, and supervision associated with the centralization of maintenance and management of CIP, the Public Works Director's salary range has been adjusted from Salary Grade 56E to Salary Grade 58E.

2. With the maintenance and CIP functions transferred from Community Services to Public Works, the overall scope of the Community Services Department has been changed to focus primarily on Parks & Recreation programming. Therefore, the Community Services Department has been changed to the Parks & Recreation Department. It is appropriate to reflect the change by adjusting job classification titles as follows:

   Community Services Worker to Recreation Worker
   Community Services Leader I to Recreation Leader I
   Community Services Leader II to Recreation Leader II
   Community Services Specialist to Recreation Specialist
   Community Services Coordinator to Recreation Coordinator

   Furthermore, as a result of the changes in duties and responsibilities related to the realignment of parks and facilities maintenance and CIP to Public Works, it is recommended that the Community Services Director job classification be retitled to Parks & Recreation Director and the salary range be adjusted from Salary Grade 56E to Salary Grade 51E.

3. There is no longer a need to specialize maintenance related job titles between two departments since they will all be centralized in the Public Works Department. The City's classification and compensation structure currently aligns the Senior Facilities Maintenance Worker and Senior Street Maintenance Worker at Salary Grade 10NE. It is recommended that the job titles for both classifications be broadened and titled Senior Maintenance Worker. The assigned duties, knowledge, skills and abilities for each of the maintenance divisions will be distinguished within the City's classification specification document. This also allows for greater flexibility for the City to assign a Senior Maintenance Worker position to the Parks Maintenance Division in the future since there is no current position in the City's classification structure with that title. There is no budgetary impact associated with this change.

4. Reclassification of the Deputy City Manager to Assistant City Manager to establish an adjusted supervisory and reporting structure and to assist in the transition of the realigned Parks & Recreation Department. In addition to the supervision of the Parks & Recreation Director, the Assistant City Manager will oversee the Information Systems Director and Human Resources Manager in addition to the Assistant to the City

Manager, City Clerk, Public Information Manager and Public Safety program. Additionally, it is recommended that the salary range for the Assistant City Manager be adjusted from Salary Grade 60-E to Salary Grade 59-E to more accurately reflect current labor market conditions.

5. To ensure proper oversight of programs and personnel, it is recommended that the Assistant to the City Manager classification be fully funded for FY 16-17. This position will be tasked with the supervision of the City's Management Analyst series and will provide direct technical and project management support to the Assistant City Manager and City Manager's Office including high level tasks involving public safety (LASD contract, Animal Control, Emergency Preparedness) and budget & finance.

6. The additional duties and responsibilities assigned to the Assistant City Manager necessitate the realignment of the City's risk management function and it is recommended that it be transferred to the Human Resources Division. Risk Management includes general liability, workers compensation, vehicle, crime, environmental and safety programs through the California Joint Powers Insurance Authority (JPIA) and the City's Employee Safety Program. The complete centralization of risk management will improve organizational efficiency and identify new ways to further mitigate the City's overall risk exposure. With these additional duties and responsibilities, it is recommended that the Human Resources Manager job classification title be amended to Human Resources and Risk Manager and the classification's salary range be adjusted from Salary Grade 40-E to Salary Grade 44-E

All of the aforementioned personnel changes above result in a net increase of one additional full-time benefitted employee to the City. With additional retirements expected in the next year, these are just the first in a series of personnel adjustments designed to identify new long-term efficiencies as the organization matures. It is expected that additional structural changes will be brought to the City Council for consideration over the next 12-24 months.

- **Law Enforcement** – The City was notified by the Los Angeles County Sheriff's Department that the increase to the FY 2016-17 law enforcement contract will be 3.7% for a total Law Enforcement budget of $6,456,000. This is an increase of $372,000 over the anticipated costs for FY 2015-16. The increase to the Law Enforcement budget also includes a payment of 9.5% or $530,000 into the Sheriff's Liability Trust Fund. This fund has been set up to offset any costs associated with liability claims filed against the Los Angeles County Sheriff's Department.

- **General Government** – This category has historically been where general expenses that benefit several departments have been expensed. Examples include general supplies, Xerox machines and bank charges. In order to manage these expenditures more effectively, they have all been moved to the various departments that have historically managed the contracts or costs.

- **Park Maintenance and CIP** – As previously mentioned the maintenance function and the parks CIP program has been centralized in Public Works. The budget that has been part of

the former Community Services Department has been moved to the Public Works Department. After this transition there will be a review and refinement of the parks CIP program to determine project priority along with any changes to funding sources. Staff will bring back any recommendations to Council in the late fall 2016.

- **Recreation Program Special Events** – As previously mentioned a citywide fee study got underway in FY 2015/16 to review the fees charged for various city provided services. The review of subsidies provided for special events, sports and contract classes will be brought back to Council for consideration when that fee study is completed. It is currently recommended by staff that the Halloween Haunt be replaced with a Bark Park event. Since the event at the dog park in 2014, dog park users have requested additional programming and activities be scheduled at the dog park. The event at the dog park is projected to cost less than half the cost of the Halloween Haunt and it will provide activities for a much larger cross section of residents in the City.

Special Revenue Funds

The City has several special revenue funds which account for and report the proceeds for specific revenue sources that are restricted to pay expenditures for specified purposes. Some examples of special revenue funds utilized by the City of Diamond Bar include funds like the Measure R Fund, Prop A & C Funds and the Lighting and Landscape District Funds. Each of these funds has a specific revenue source and strict guidelines as to how those resources may be spent. The City uses these restricted resources to pay for things such as slurry seal projects, transit related programs and solid waste reduction programs.

It is proposed for the current fiscal year (FY 2015-16) that City Council establishes a new fund which is described below:

Technology Reserve Fund (Fund 018) – It is proposed that this fund be created during the current fiscal year in order to fund the City's anticipated future needs related to aging software systems (i.e. SunGard Pentamation – the City's finance system) that may no longer be supported by vendors. The primary funding source for this fund is a portion of the "one time" money realized from building fees collected during FY 2015-16 (referenced above). It is proposed that $200,000 be transferred from the General Fund to the Technology Reserve Fund during FY 2015-16 in order to help fund the City's anticipated needs. It is also proposed in the FY 2016-17 budget that another $100,000 be set aside for this purpose. It is further recommended that money be set aside each fiscal year in order to meet the technological needs of the City as they arise.

Other Special Revenue Funds

Measure R Fund (110) – Los Angeles County voters passed Measure R which is a ½% sales tax increase to fund transportation related projects. This fiscal year it is estimated that the City will receive an allocation of $645,900 which will be used to help fund street improvement projects.

Gas Tax Fund (111) – The Gas Tax Fund accounts for gas tax received from the State. The Gas Tax Fund will assist in the funding of road maintenance through a transfer to the General Fund in the

amount of $982,200. In addition, the Gas Tax fund will pay for street improvement projects and miscellaneous Public Works improvements.

Prop A Transit Fund (112) - The Prop A Transit revenue is derived from additional voter approved sales tax. Transit related activities to be funded by Prop A including the City's transit subsidy program, excursions, and Holiday Shuttle program. It is also being used to fund traffic management and safety projects and miscellaneous Public Works improvements.

Prop C Transit Fund (113) – The revenue in this fund is also derived from an additional voter approved sales tax. In addition to funding the Diamond Ride program, this fund will also provide resources for the operation of the City's traffic management system. Prop C will also provide funds for traffic management and safety projects and miscellaneous Public Works improvements.

Moving Ahead for Progress in the 21st Century (MAP-21) Fund (114) – The Federal government has created a Federal Surface Transportation Program that allocates funds for various improvements to the nation's streets and roads. This two year legislation has annual allocations funded primarily by the Highway Account. Projects slated to be completed using these funds include Arterial Street Rehab and Drainage Improvement at Brea Canyon Cut-off and the SR-60/Lemon Ave. Interchange.

Integrated Waste Management Fund (115) – This fund accounts for AB939 fees which are collected from waste hauler fees. Items funded out of this fund include staff time to manage the City's solid waste reduction programs, AB939 reporting, street sweeping, storm drainage maintenance and debris composting programs.

Traffic Mitigation Fund (116) – This fund is used to account for funds which have been received from development projects and designated by the City Council for traffic mitigation projects. A portion of the Willow Heights developer fees ($300,000) were transferred to this fund during FY 2015-16 in order to replenish this fund. This fund has been depleted over the years and it is important to not have to depend on State or County funds if emergency road or traffic projects surface. There are several road rehabilitation as well as intersection modification and enhancement projects which will be completed during FY 2016-17 with these funds.

Sewer Mitigation Fund (117) – This fund was established last fiscal year as a result of developer impacts to existing sewer facilities in the City. Funds are received from development projects and will be used for sewer facility mitigation and improvement projects. FY 2016-17 will see the development of a Sewer Master Plan using these funds.

Air Quality Improvement Fund (118) – This fund receives AB2766 funds which are a derived from a portion of the motor vehicle registration fees received by the State. These funds must be used for projects that will reduce vehicle emissions. This year the fund will provide resources for various traffic management and safety projects.

MTA Grants Fund (120) – LACMTA Call for Projects allocates discretionary transportation capital funds for regionally significant projects proposed by local jurisdictions, Caltrans and other public agencies. The City has received grants to be used for The SR 60/Lemon Ave. Interchange and the Adaptive Traffic Control System.

Waste Hauler Fund (121) – This fund collects revenue received from the City's Waste Hauler. These fees are collected in order to mitigate damage to City streets caused by large trash trucks. Each year these funds are used to fund residential slurry seal projects.

Park Fees Fund (Quimby) (122) – This fund collects the required fees set forth within the Subdivision Map Act of the California State Constitution. Developers are required to either contribute land or pay these fees to the local government to provide recreational facilities within a development area. Fees were collected in FY 2015-16 from the Millennium project. These funds will be used to fund a variety of park improvement projects.

Prop A – Safe Neighborhood Parks Fund (123) – The County of Los Angeles allocates voter approved funds to the City for the purpose of creating and maintaining an environment which addresses the needs of the City's at risk youth.

Park & Facility Development Fund (124) – One-time developer fees from the Willow Heights housing development have been transferred to this fund. The funds will be used for a variety of park and trail improvements.

Landscape Assessment District Funds 38, 39, and 41 (138, 139,141)
As previously mentioned above, the General Fund continues to subsidize two of the three Lighting and Landscape Assessment Districts. Every effort was made to keep costs level but with rising costs and the severe drought conditions there are budget deficits in District 38 and District 41. To balance these budgets a transfer of $196,600 from the General Fund will be necessary.

Capital Improvement Projects Fund (250)
The FY 2016-17 Capital Improvement Projects List includes projects amounting to $19.6 million of which $12.1 million are project carryovers from FY 2015-16 and the balance of $7.5 million is either new projects or additional appropriations on existing projects. Included in the new projects for FY 2015-16 is one street improvement projects, two traffic management projects, Diamond Bar Blvd. Streetscape Design, Washington Street Enhancement, trail enhancements and improvements at the Diamond Bar Center. Planning Commission Resolution No. 2016-16 ratifies that the proposed CIP plan is consistent with the City's General Plan.

Debt Service Fund (370) - The 2002 variable rate bond was refinanced into a fixed rate bond during FY 2011-12. This fund was established to account for the debt service on the fixed rate bond. The fund accounts for the principal and interest payments and any banking charges related to the bond. The costs will be reimbursed by means of a transfer from the General Fund. The transfer from the General Fund for FY 2016-17 is estimated to be $855,906.

Self Insurance Fund (510)
The purpose of this fund is to pay the annual premiums on a variety of insurance policies including crime, property and liability insurance. The total transfer from the General Fund during FY 2016-17 to cover these costs is $442,216.

Vehicle Maintenance & Replacement Funds (520)
In FY 2015-16 the City implemented the centralization of the fleet management function.

The City's fleet has aged, with many vehicles going several years past their useful lives. There has been three vehicles purchased so far in FY 2015-16. It is staff's recommendation that the City purchase two additional vehicles during FY 2016-17 to replace the 2000 GEM car and the 1997 Ford F-250.

Equipment Maintenance & Replacement Fund (530)
This fund was established to help fund various equipment replacement and/or enhancements. Purchases from this fund during FY 2016-17 are exclusively computer hardware & software. The transfer from the General Fund to fund these purchases amounts to $147,400.

Building Facility & Maintenance Fund (540)
This fund was established in FY 12-13 to incorporate a method to fund the eventual replacement of equipment at City Hall. The primary revenue source in this fund is rebates received from Southern California Edison from the installation of solar panels at City Hall. It is estimated that the City will receive $10,000 each year for five years. $200,000 of one-time Willow Heights development fees have been transferred to this fund during FY 2015-16 to help replenish this fund.

PREPARED BY:

Dianna L. Honeywell

REVIEWED BY:

Dianna L. Honeywell
Finance Director

Attachments:
1. Resolution 2016-XX Adopting the Fiscal Year 2016-17 Budget.

CITY COUNCIL

GOALS AND OBJECTIVES

FY 2016-2017

City Council Goals & Objectives FY 2016-17

1. **Develop and implement responsible fiscal policy that ensures long-term financial sustainability.**
   - 1.1 Secure additional long-term General Fund revenues by enhancing and diversifying the City's sales tax base.
   - 1.2 Develop and consider options to increase the City's Transient Occupancy Tax (TOT or "hotel room tax") rate.
   - 1.3 Prepare a long-term fiscal sustainability report with strategies to meet future community needs and associated maintenance, renovation, and improvement costs.
   - 1.4 Conduct a City-wide User Fee Study to determine full cost recovery levels of all City services.
   - 1.5 Identify subsidized programs and consider policy options to eliminate or reduce subsidies.
   - 1.6 Prepare a use analysis for the Diamond Bar Center to determine historical trends and identify revenue-generating opportunities, including actively marketing the facility to the business community for weekday conference use.
   - 1.7 Return maintenance responsibilities to the five homeowner's associations in Lighting & Landscape Assessment District (LLAD) #41.

2. **Pursue transportation infrastructure improvements that mitigate traffic congestion in Diamond Bar.**
   - 2.1 In cooperation with the City's project partners, complete the 57/60 Confluence Project.
     - 2.1.1 Complete construction of the westbound SR-60 on-ramp from Grand Avenue (Phase One).
     - 2.1.2 Commence construction of the westbound SR-60 off-ramp and auxiliary lane to Grand Avenue (Phase Two).
     - 2.1.3 Complete design of local improvements at Grand/Golden Springs and Diamond Bar Golf Course frontage and prepare for construction (Phase Three).
     - 2.1.4 Secure Construction funding for the 57/60 freeway mainline improvements, bypass connectors, and Grand Avenue bridge widening project (Phase Four).
   - 2.2 In cooperation with the City's project partners, secure funding and complete the 57/60 "big fix" project, which includes missing connectors and carpool lanes.
     - 2.1.1 Complete a feasibility study to determine the preferred and most effective options.
     - 2.1.2 Continue federal advocacy efforts necessary to secure funding.
   - 2.3 In cooperation with the City's project partners, complete the Lemon Avenue on/off ramp project.
     - 2.3.1 Commence construction 1st Qtr. FY 2016-17.
   - 2.4 Advocate for transportation solutions that are equitable in distribution of goods movement traffic and maintain opposition to SCAG's proposed east/west freight corridor in the San Jose Creek Wash.
   - 2.5 Optimize traffic flow on the City's arterial streets (Grand Ave., Diamond Bar Blvd., and Golden Springs Dr.).
     - 2.5.1 Implement the adaptive traffic control system.

3. **Implement a long-term economic development policy strategy that attracts and retains quality small businesses and national/regional credit tenants.**
   - 3.1 In cooperation with the property owners, redevelop the K-mart site to include new retail and restaurant options.
   - 3.2 Pursue a well-qualified developer and begin construction on a hotel project at the former Honda property and/or Brea Canyon Road trailer/storage site.
   - 3.3 In cooperation with the Regional Chamber of Commerce – San Gabriel Valley, establish an annual Diamond Bar Restaurant Week to promote local businesses.
   - 3.4 Launch the Dining Diamond Bar media campaign to promote local restaurant options.
   - 3.5 Continue the Mayor's monthly meetings with local business leaders.

4. **Maintain a safe, sustainable and healthy community.**
   - 4.1 Create a community vision statement and strategic plan to guide future goals and objectives.
   - 4.2 Complete a comprehensive update to the City's General Plan
     - 4.2.1 Approve a contract with the consulting firm.
     - 4.2.2 Form General Plan Advisory Committee and associated subcommittees.
     - 4.2.3 Begin the public engagement process.
   - 4.3 Encourage participation in Neighborhood/Business Watch groups and enhance communication to groups already in place.
   - 4.4 Maintain and enhance the City's emergency response readiness/preparedness through staff training/exercises/simulations, policy development and public education.
   - 4.5 Begin waste hauler franchise review and negotiation process.
   - 4.6 Update the City's ADA self-evaluation and transition plan.
   - 4.7 Secure funding partners/sponsors to fund a "quiet zone" on the MetroLink train line at Lemon Avenue near Walnut Elementary.

5. **Provide an open, efficient and responsive local government.**
   - 5.1 Launch a redesigned City website that includes the latest technologies, streamlines the user experience, enhances public engagement, communication and reporting opportunities, and expands access to public information and documents.
   - 5.2 Complete and launch a comprehensive update to the City's smartphone application.
   - 5.3 Upon launch of the new website and smartphone application, conduct a marketing campaign to promote the new website and application as the primary sources of City information and news.
   - 5.4 Make a live stream of the DBtv Government Access Channel available on the City's website.
   - 5.5 Continue efforts to image and catalogue public records across departments.
   - 5.6 Expand online permit and business license application portals.
   - 5.7 Develop an updated e-government plan.

6. **Provide and maintain high quality public facilities, infrastructure, and equipment.**
   - 6.1 Develop and consider options for a property-based assessment to fund parks and recreation and athletic field capital improvement projects.

6.2 Complete annual fiscal year Capital Improvement Plan (CIP) projects on time and within budgets.
6.3 Develop plans to incorporate the streetscape features of the Grand Avenue Beautification project at other arterial intersections and City entry points.
6.4 Complete a parks and facilities infrastructure inventory and maintenance schedule.
6.5 Review all current landscape maintenance contracts and update associated scope of work as necessary to meet current needs and standards.
6.6 Develop a fleet management and replacement plan.

7. Provide high quality community and recreation programs and services that meet the needs of the diverse Diamond Bar community.

8. Develop and maintain a professional and effective workforce to serve the public.
8.1 Conduct succession planning efforts to prepare for a transitioning workforce.
8.2 Implement a new employee performance management system, including a revised evaluation process, form and training.
8.3 Expand employee training and leadership opportunities that result in improved customer service.