



Midpeninsula Regional
Open Space District

R-11-96
Meeting 11-25
September 14, 2011

AGENDA ITEM 5

AGENDA ITEM

Approve the District's 2011 Strategic Plan

STRATEGIC PLAN AD HOC COMMITTEE RECOMMENDATIONS

The Strategic Plan Ad Hoc Committee recommends that the Board:

1. Approve the District's Proposed 2011 Strategic Plan.
2. Direct the Administration and Budget Committee to work with staff to review and adjust the FY2012-13 draft Action Plan and Budget to reflect the Board's policy direction for a balanced approach to implement the full mission.
3. Direct the Administration and Budget Committee to work with the District Controller to review the District's financial model and develop alternative scenarios that are financially sustainable and allow for a more balanced implementation of the mission.
4. Direct staff to develop prioritization criteria for the FY2012-13 Action Plan that allows for a more balanced implementation of the mission.
5. Direct the Strategic Plan Ad Hoc Committee to continue to meet, on an as-needed basis, through the FY 2012-13 Budget and Action Plan development cycle.

SUMMARY

On June 10, 2011 at its Strategic Plan Workshop, the Board of Directors (Board) approved staff's recommendation to implement the District's mission in a balanced manner and directed staff and the Strategic Plan Ad Hoc Committee (Committee) to further develop the following goals and strategies: 1) Increase collaboration with other land conservation organizations and work toward a common conservation vision; 2) Evaluate and build public support for regional conservation vision; and 3) Increase District financial and staffing resources to fund the whole mission and increase natural resource management and public access. This report summarizes the strategies and activities associated with each goal and requests Board approval of the three goals.

DISCUSSION

Background

The Board and staff officially kicked off the District's strategic planning process at a workshop in October 2010, after which, staff and the Strategic Plan Ad Hoc Committee refined the work completed at the workshop during winter 2011.

During April, May, and June 2011, a series of Board Workshops were held to determine the District's vision and long-term goals and to develop strategies to accomplish those goals. The culmination of those efforts was a full-day Board and staff Workshop on June 10, 2011, with two objectives: first, to reach agreement that the outcomes and quality standards discussed in the workshop will best fulfill the District's mission; and, second, to develop roadmaps to move forward on the strategies recommended by staff at the May 25 Board meeting. The June 10th session ended with a unanimous Board decision that was based on staff's recommendation:

We will continue to purchase land but we will elevate the other two key parts of our mission – protecting and restoring our lands and providing public access and education – to provide a better balance in our implementation of the District's overall mission.

At the June 10th Workshop, the Board and staff discussed how to implement the entire mission well, ensuring balance between its three components: regional open space greenbelt preservation, protect and restore the natural environment, and public access and education. The mission-related outcomes and quality standards proposed by staff were discussed by the Board, as what it looks like when the District implements its mission well (Attachment A).

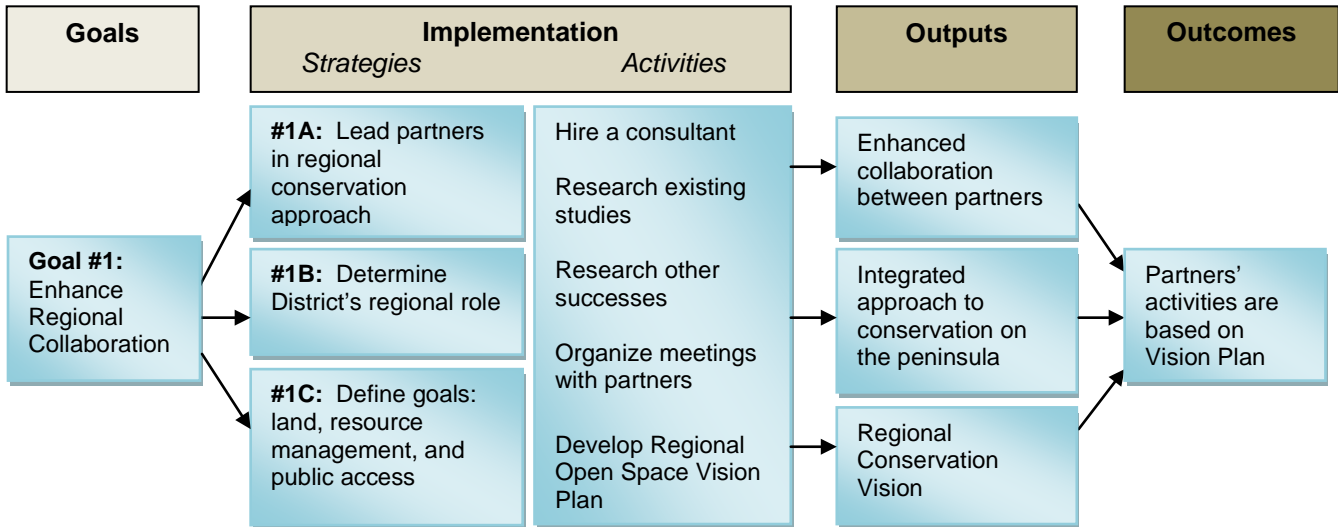
In order to move toward these outcomes and quality standards, the District developed the following goals, which were approved by the Board at the June 10th Workshop:

1. Enhance regional collaboration.
2. Build public support.
3. Enhance financial and staffing resources.

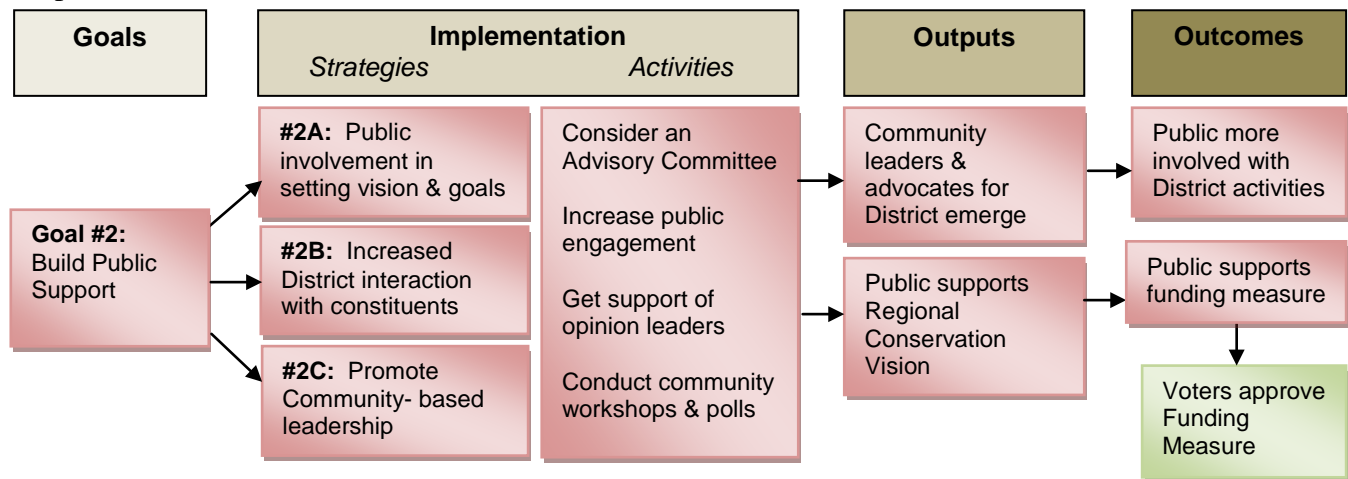
At its regular Board meeting on August 24, 2011, the Board discussed the District's draft Strategic Plan and Strategy Roadmaps, which were developed out of the June 10th Workshop, and continued that discussion at the Board and Senior Management Retreat on August 31, 2011. These goals and strategies are summarized below and discussed in more detail in Attachment B.

Goals and Strategies

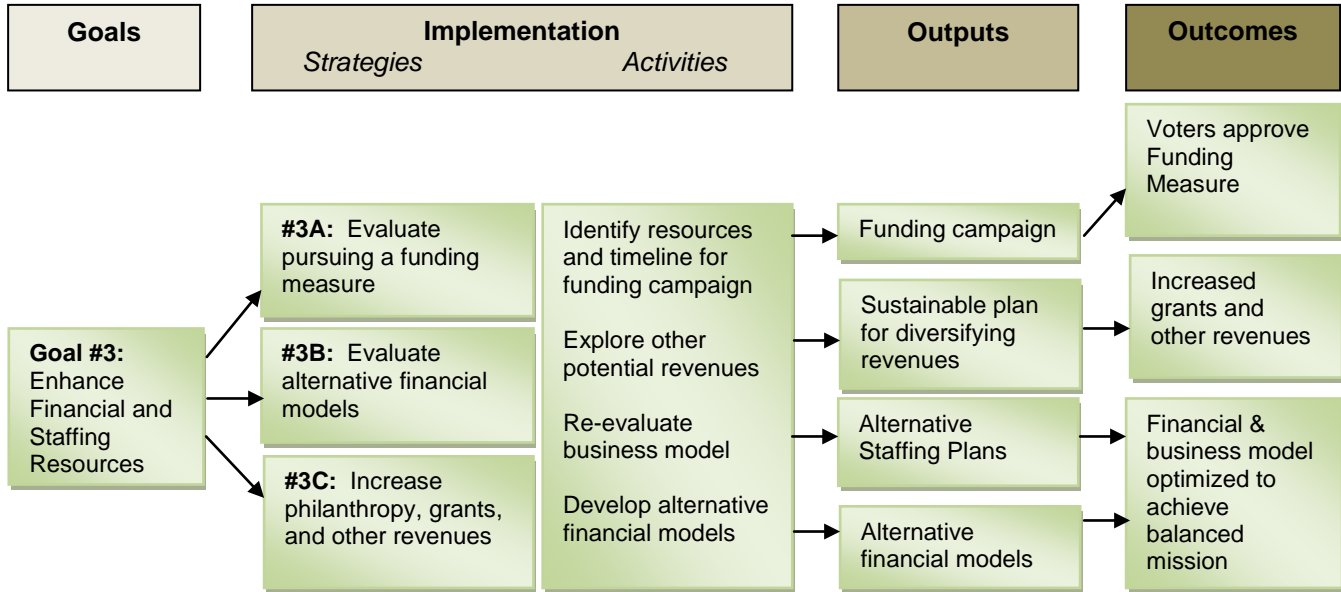
Goal #1: Enhance Regional Collaboration – Coordinate our activities with other regional conservation organizations to leverage resources; provide a unified, consistent approach; and maximize our effectiveness on the peninsula.



Goal #2: Build Public Support – Increase outreach to our constituents to build their support for a regional vision of land conservation and develop a more comprehensive program to communicate with the public.



Goal #3: Enhance Financial and Staffing Resources – Increase our revenues, diversify our funding sources, and increase staffing in order to be successful in creating greater balance between the three parts of our mission.



Attachment C shows how these goals, strategies, and potential activities combine to support the District in implementing its mission in a more balanced manner. These strategies and activities must be sustainable in order to be implemented and, if after analysis it is determined they are not, alternative strategies will be developed.

FISCAL IMPACT

Approval of the Committee’s recommendation is not expected to impact to the District’s FY 2011-12 Budget. Impacts to the FY2012-13 Budget will be evaluated during the development of the annual budget.

PUBLIC NOTICE

Public notice was provided as required by the Brown Act. No additional notice is required.

CEQA COMPLIANCE

The proposed actions are not a project under the California Environmental Quality Act (CEQA) and no environmental review is required.

NEXT STEPS

Once the Board approves the goals and strategies contained in this report, staff will identify resources and plan activities to implement the strategies and will incorporate them into the FY2012-13 Proposed

Action Plan and Budget. As specific programs and plans are developed, staff will return to the Board for approval of the recommendations prior to committing financial and staffing resources.

Attachments:

- Attachment A: Outcomes / Quality Standards
- Attachment B: Strategy Roadmaps
- Attachment C: District Strategic Plan Summary

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ATTACHMENT A: Outcomes / Quality Standards

The mission-related outcomes and quality standards listed below are what it looks like when the District implements its mission well.

Regional Open Space Greenbelt Preservation

1. The protected lands network is expanded, enhancing biodiversity, climate change resilience and scenic, rural character.
2. Priority watersheds are protected and carefully stewarded, whether in public or private ownership.
3. Preserved lands are linked for habitat and people: more land is conserved and linked together across ownerships and political boundaries.
4. Conservation efforts support complement working farms and ranches, ~~whether in public or private ownership, and protection complements~~ and pre-existing land-based livelihoods.

Protect and Restore the Natural Environment

1. Focused water quality management efforts are underway for all priority watersheds.
2. Sensitive species and their habitats benefit from our management efforts.
3. Wildfire is managed to become a more natural component of the ecosystem, and minimizings negative effects on the community and environment.
4. The preserved lands network connects habitats and supports a diverse array of native plants and animals.
5. Cultural resources are protected.

Public Access and Education

1. Public access to preserved land is increased, consistent with resource management goals, and is balanced region-wide.
2. Preserve trails are linked to other regional trails, and ultimately to the places where people live and work.
3. Preserve visitors are educated about natural and cultural resources, and the benefits of open space.
4. Continue to maintain and enhance ~~P~~preserves that are safe, clean, and inviting for healthy exercise and enjoyment.
5. Communities are involved and engaged in conservation outcomes.

ATTACHMENT B

Goal #1: Enhance regional collaboration and synergy with other land conservation organizations ~~towards a conservation vision~~

Background and Overview

The District's mission centers on the vision of a ~~vast~~ network of preserved natural open space lands for the San Francisco Peninsula and South Bay. Together, the District and its public and private partners have preserved ~~an nearly continuous~~ ~~extensive~~ network of regional trails, wildlife connectivity, and have established an edge to outward urban expansion along the Santa Cruz Mountains and San Francisco Bay front. Nonetheless, further conservation and stewardship work is still needed to improve the network of conserved lands, trails, and habitat to meet biodiversity goals, create better habitat connectivity, build climate change resiliency, and better connect open space to the places that people live.

Regional conservation and stewardship efforts are inherently collaborative. Numerous organizations are working with the same broad goals and focusing on the same geographic area; as such, they should work together to interconnect regional trails and create a network of connected lands. These broad conservation goals need to be looked at as a whole rather than as isolated pieces that individual agencies independently accomplish.

The regional "ecology" of conservation organizations in the San Francisco Bay Area is extremely robust, with numerous governmental agencies and ~~private non-profit corporations~~ ~~organizations~~ covering a wide spectrum of regulatory, advocacy, and stewardship roles. Private non-profit land trusts and foundations have recognized the value of combining forces on region-wide conservation initiatives that leverage the strengths of each and ~~add up to accomplish~~ more than any one organization could accomplish alone.

Goal #1 is comprised of two important and distinct components which would need to occur concurrently: enhancing collaboration and synergy with other land conservation organizations, and developing a regional open space vision.

Enhancing Collaboration

Although the District has historically partnered with other park/conservation agencies and organizations, there is an increased need, ~~and benefit,~~ to focus and expand these regional collaboration efforts. ~~The benefits of partnering are numerous.~~ Every organization has unique strengths and core competencies that make them successful. By working together, ~~and~~ with each organization focusing on its core competencies, duplication of efforts can be avoided and conservation can be achieved most efficiently and effectively through leveraging the strengths of each organization.

Developing a regional vision

Creating a regional open space vision in collaboration with partners would help define priority conservation, stewardship, and recreation goals for the region. Clearly defining these goals and collaborating regionally to achieve them will increase the beneficial impact that conservation organizations, including the District, have on the Peninsula and South Bay. This strategy entails preparing an Open Space Vision Plan (Plan) that would address the need for integrated conservation programs, policies and projects, and the need to move beyond jurisdictional boundaries to better coordinate regulatory, policy, and protection efforts. Development of this Plan would need to be accomplished within the timeframe of one year and would likely entail significant consultant support to collect existing studies, facilitate the various partner organizations in identifying regional priorities and goals, and produce a document reflecting these goals.

The Open Space Vision Plan would:

- Be a science- and community-informed document that recommends strategies and priorities for land conservation, resource stewardship, and recreational access on the San Francisco Peninsula and South Bay.
- Serve as a strategic tool and resource for the District and its conservation partners to make informed conservation choices and investments; enhance cooperation and coordination; accelerate the pace and effectiveness of conservation and stewardship; and better position the region for federal, state, local, and private funding for land protection, resource stewardship, and recreational access.
- Be an adaptive document that would be updated over time as conditions and needs change.
- Address District obligations under the LAFCO Conditions of Approval for the Coastside Service Plan by informing the update to the District's Regional Open Space Study and Master Plan.
- Form the backbone of a potential funding measure by identifying the shared priorities of regional significance that the District, its partners, and the local communities wish to see implemented.

Making the open space vision and goals a reality can better be accomplished by a collaboration of organizations rather than a single organization working alone. Collaboration—among conservation partners, local government, non-profit organizations, landowners, community members and other District-wide stakeholders—is integral to the success and sustainability of long-term land conservation on the Peninsula.

Funding for the regional vision effort would likely be drawn from multiple sources, so that one organization is not overburdened. Direct costs to the District and staffing needs have not yet been estimated.

No single approach or activity will fully accomplish this goal, rather, multiple strategies need to be employed that, at a minimum, will include:

- A. Engaging and leading partner organizations in regionally coordinated approach

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- B. Determining the District’s role in the regional context, and integrating these efforts with partner organizations
- C. Working with partners to define regional land conservation, resource management and public access needs, vision and goals

Activities

- 1. Hire a consultant to assist with the development of an Open Space Vision Plan and help coordinate the activities listed below.**
- 2. Research examples of similar regional conservation efforts that have been successful and identify what has already been completed.**
 - a. Utilize lessons learned from similar efforts
 - b. Estimate costs and staffing needs
- 3. Identify partners, including traditional partners (Park agencies, non-profit conservation organizations), but also including non-traditional partners (sustainable communities, transportation, health care)**
 - a. Consider partnerships with entities that also operate outside District boundaries to support long-term sustainability of conservation efforts within our boundary; to avoid being an “island”
- 4. Organize initial meetings with partners to determine current activities and establish an understanding of existing conservation visions / plans**
 - a. Host a Partner symposium and encourage other conservation organizations to share their plans and vision to clarify shared goals
- 5. Evaluate mechanisms to strengthen partnerships, enhance regional cooperation, and align on regional conservation vision goals**
 - a. Convene an on-going practitioners’ network for idea sharing and problem solving, potentially expanding upon existing coordination groups such as the Peninsula Working Group to incorporate Board, manager and staff levels of participation
 - b. Identify what roles can be performed by partners and what roles the District should perform
- 6. Prepare a collaborative, community-informed Open Space Vision Plan**
 - a. Project initiation
 - i. Determine what information the District currently has, what can be developed, and what financial and staffing resources the District is willing/able to contribute to the development of the Vision
 - ii. Determine which organizations are interested in helping to coordinate development of a regional vision

- iii. Define scale and desired outcome of effort
- iv. Define the region that the public access and conservation vision should cover
- b. Use a science-based GIS approach as a decision support tool
- c. Work with the public and partners to identify regional goals
- d. Evaluate and prioritize conservation, stewardship and recreational access needs

Goal #2: Evaluate and build public support for regional conservation vision

Background & Overview

Starting with the District's establishment in 1972, the tradition at the District has been to emphasize purchasing priority open space lands identified by the organization, with a secondary focus on ~~conducting on the ground land~~ stewardship and operating the core system of open space preserves and trails. This focus on real estate transactions ~~was has been~~ extremely successful; to date, the District has preserved ~~about almost~~ 60,000 acres of critical open space land since the early 1970s, about 35,000 of which are now open to the public for low-intensity recreation. Overall, these and other preserved lands have established an edge to outward urban expansion along the Santa Cruz Mountains and San Francisco Bay front, contributing greatly to the region's quality of life. This greenbelt comprises a critical habitat corridor as well as a recreational trail system.

As discussed under Goal #1, private land trusts, organizations, and foundations have recognized the need to combine forces on region-wide conservation initiatives. ~~These efforts have not, to date, incorporated direct public participation or grassroots stakeholder engagement.~~ Stimulating community participation and ~~listening to identifying~~ public conservation, stewardship, and recreational access priorities could benefit the District, as well as its conservation partners, ~~in these difficult economic times~~ by building support ~~and buy in~~ for land conservation ~~from in the the ground up~~ community.

Goal #2 is comprised of two important and distinct components: developing a regional vision, and ~~garnering developing public~~ support for this vision.

Developing a regional vision

Developing a regional conservation vision will provide a focus ~~for public outreach~~ to engage District constituents and partners alike through the shared identification of conservation priorities both regionally (the greater San Francisco Peninsula and South Bay) and within the more narrowly defined District boundaries. This Open Space Vision Plan will be supported by scientific data on biodiversity, landscape connectivity, and other regional analyses and will be developed with public input. Additional discussion of the Open Space Vision Plan can be found under Goal #1.

Public outreach

~~The District is uniquely qualified to lead public engagement efforts within the San Francisco Peninsula and South Bay areas.~~ The District has a specific focused mandate to protect and restore the natural environment and provide low-intensity public recreation opportunities across a multi-county jurisdiction that includes a large portion of the San Francisco Peninsula and South Bay. As a public agency formed by the voters, the District has a responsibility to engage and ~~garnier develop~~ support for conservation within the region, and particularly within its boundaries.

Therefore, the District is uniquely qualified to lead public engagement efforts within the San Francisco Peninsula and South Bay areas.

~~Identifying and building a constituency around the public's preservation, stewardship, and public access priorities will develop a sense of proprietorship, which will be essential to the passage of a future funding measure.~~ The basic concept for public outreach is to obtain broad-based public input and begin a dialogue that will highlight the specific need for protecting local natural resources ~~and that will elevate the profile of the District prior to a funding measure.~~ Additional discussion of the District's strategies to respond to financial challenges can be found in Goal #3.

The intent is to develop the conservation vision with ~~the~~ public input and achieve a broad consensus among those who live in, work in, or visit the area that the vision and its goals represent the path to a more prosperous and healthy future, and that implementing the vision is a worthy joint effort which the whole community will can support, i.e. a common vision for a common future.

Increasing public participation in the conservation efforts of the District and partners will require an approach that has a broad appeal across all socio-economic sectors of the surrounding communities. No single approach or activity will fully accomplish this goal; rather, multiple strategies need to be employed that, at a minimum, will include:

- A. Active public involvement in visioning and goal setting, including polls and public workshops to assess public sentiment and support, and enhanced communication with the public
- B. Increasing Board and staff interaction with constituents and the public to enhance District visibility
- C. Promoting community-based leadership (e.g. Adopt-A Park, Friends of the District, grassroots supporters, etc.)

In order to achieve this goal, the District will need to defer nonessential projects and significantly reduce the number of major competing projects. Involvement by all Departments in public outreach and communication will be essential to its success.

Activities

1. ~~Form~~ **Consider forming** a diverse advisory committee comprised of representatives from the District, partner organizations, resource agencies, landowners, and community members to advise the team during the open space vision preparation
2. **Increase District interactions with the public**
 - a. Identify opportunities to expand District participation in public events for both Board and staff; leverage District history and expertise
 - b. Develop messaging regarding open space vision process; train staff and Board in its use
 - c. Enhance Board contact with local constituents and landowners
3. **Develop communication and participation methods**
 - a. Research varied participation, communication, and outreach methods best suited to each target audience; identify the most appropriate communication practices for relevancy to diverse populations
4. **Engage the ~~general~~ public**
 - a. Initiate ~~public~~ dialogue regarding the future of open space conservation and stewardship; reinforce and increase public awareness of importance of local open space to quality of life
 - b. Conduct periodic polls to determine public sentiment around land conservation issues, core parts of the conservation vision and to measure the public's awareness and support of the District and its programs
 - c. Employ web-based and social media tools
5. ~~Get support of~~ **Work with opinion leaders**
 - a. ~~Build partnerships with media, w~~Work with academics, elected and appointed public officials, and ~~well-known Silicon Valley companies~~the business community
6. **Conduct stakeholder and community workshops**
 - a. ~~Identify discrete sub-regions and i~~Initiate community-focused forums so that local ~~differences in opinions can be accommodated~~are heard
 - b. Engage the Peninsula and South Bay communities, to hear what they value the most about open space
7. **Establish open space goals and project selection criteria, based upon community, stakeholder, landowner, and partner input**

Goal #3: Enhance District financial and staffing resources to fund the whole mission and increase natural resource management and public access

Background and Overview

Historically, the District has placed a primary emphasis on land acquisition, both through debt financing and direct outlays from cash reserves. Over time, as the District has issued more debt, the debt service obligations have required an increasing proportion of the District's annual property tax revenue. For FY2011-12, debt service payments total approximately \$9.7 million, or 35% of projected property tax revenue.

As debt service has increased, combined with the operating and capital expenditure guidelines adopted by the Board, the proportion of usable funds available for operating expenses and resource management projects has declined. At the same time, resource management needs have increased substantially as has the public's demand for increased access to our preserves. Responding to these challenges requires significant increases in staffing resources as well as increased funding for capital projects.

To date, the District's funding model has relied on steadily increasing property tax revenue to support District growth. The current economic downturn, which has slowed the growth of this revenue source, combined with the District's increased debt service obligations, has limited the funds available to address resource management and public access needs. In addition, the District's ability to buy land will be severely reduced starting in the next four to six years. Based on current assumptions contained in the District's financial model, the District will have just under \$1 million annually in un-earmarked tax revenue available for discretionary expenses, whether it is land purchases, resource management projects, or operating expenses. Overall, District expenses continue to rise at a faster rate than tax revenues and, as such, the District is at or nearing its limit of land stewardship capacity under the current ~~business~~ financial model.

In order to continue to fund its mission and create balance between the three parts of the mission, the District has determined it needs to increase its revenues, diversify its funding sources, and increase staffing. No single approach or activity will fully accomplish this goal, rather, multiple strategies need to be employed that, at a minimum, will include:

- A. Evaluating pursuing a tax or funding measure
- B. Re-evaluating the District's current funding model and carefully considering whether or not to issue new debt
- C. Evaluating increasing revenues from philanthropy (e.g., donations, estate planning, etc.), grants, and other potential revenue sources

Activities

1. ~~Identify staffing requirements for increased resource management and public access~~Re-evaluate the District's current business model

- a. Identify resource management and public access goals
- b. Develop a staffing plan needed to achieve goals
- c. Evaluate infrastructure (e.g., staff facilities) needed to implement staffing plan

2. Evaluate pursuing a tax or funding measure.

- a. Identify cost and staff resources required to do a funding measure
- b. ~~Utilize~~Determine the need for additional funding based on the Open Space Vision Plan (see Goal #1) ~~to frame the need for additional funding~~
- c. Identify and engage ~~allies and supportive~~ stakeholders
- d. ~~Identify potential opponents to a funding measure~~
- e. ~~d~~. Poll public to gauge support
- f. ~~e~~. Clearly identify District projects that would be funded should a funding measure pass and the communities that would so benefit
- g. ~~Increase District's visibility to the public — "branding"~~
- h. ~~Clarify advocacy and public/voter outreach roles~~

3. Re-evaluate the District's current funding model and carefully consider whether or not to issue new debt.

- a. ~~Review~~Evaluate current alternative funding-financing models and ~~alternative models~~ with the District Controller
- b. Consider changing OpEx and CapEx Guidelines
- c. Evaluate impact of adding an additional \$20 million in debt vs. not
- d. Consider investing current new debt funding (\$20 million) in infrastructure and capital projects rather than exclusively in land purchases

4. Evaluate increasing revenues from philanthropy (e.g., donations, estate planning, etc.), grants, and other potential revenue sources.

- a. Fill Grants Administrator position authorized in FY2011-12 Budget
- b. Engage POST and other non-profits in partnering on philanthropic initiatives
- c. Review Stewart Woods' Report regarding Development Assessment
- d. When receiving property gifts or purchasing land, determine whether ongoing maintenance costs can be covered by others
- e. Evaluate other potential revenue sources, e.g., fees, corporate sponsors, higher yield investment accounts, etc.

ATTACHMENT C: District Proposed Strategic Plan Summary

