Call to Order
Mayor Smith called the meeting to order at 8:14 a.m.

Roll Call
PRESENT: Council Members Krupa, Wright, Youssef, and Mayor Smith
ABSENT: Mayor Pro Tem Milne, excused
OTHERS PRESENT: City Manager Hill and Community Investment Director Jansons

Communications from the Public
There were no public comments presented at this time.

Discussions
Discussions regarding these items, with possible direction to staff

1. Discussion of strategies for eliminating the City’s structural deficit
The City Council reviewed seven deficit reduction strategies that had been noted in the FY15 preliminary budget, and there was a consensus to proceed with all of them. They were then prioritized as shown below:

   #1 Sell city-owned properties that are no longer needed
   #1 Research the feasibility of privatizing/franchising the City’s water/sewer systems
   #2 Develop marketing and economic development strategies
   #2 Form a Blue Ribbon Committee to study city services and finances and advise the City Manager
   #3 Conduct managed competitions, but with Council approval of the functions to be competed
   #4 Consider consolidations of functions with other local governments
   #5 Engage labor organizations in ways to reduce retiree medical costs

There was a consensus of those present that the City Council would be willing to consider possible tax options in the future if all of the above efforts have been exhausted and the structural deficit persists.
As an introduction to the discussion of legislative agendas and marketing/branding strategies, the City Council conducted a "SWOT" analysis, identifying strengths, weaknesses, opportunities, and threats as relates to the City's achieving what it wants for the community. The results of that analysis are as follows:

**Strengths:**
Affordable and available land (#1)
Optimal climate
Scenic – surrounded by mountains
Diamond Valley Lake and other recreational assets
Western Science Center
Volunteerism
Ramona Bowl
Identity – 100+ year history
Agricultural lands
Diverse demographic – senior communities
Attractions for "snowbirds"
Available workforce
Improving infrastructure – better access
Clean air
Affordable housing
Hospital
Airport
Railroad
Good schools
Proximity to other attractions – mountains, deserts, beaches
Casino
Affordable living

**Weaknesses:**
Perception of crime
Aging infrastructure
Lack of access to an interstate
Low median income
Lack of retail opportunities
Lack of industry
Low employment
Affordable housing
Lack of college/university
Dilapidated downtown district – visual imaging
Lack of an identity
Poor "curb appeal"
Perception of being a regional dumping ground
Limited directions for physical growth
Isolation
Losing attractiveness for retirees
“Old money” not being replenished with new money
Limited entertainment options – theaters, clubs
Lack of enough quality hotels

**Opportunities:**
- Pent up business capital
- Entertainment options – museums, “Wild Rivers” water park, horse racing, sports, micro-breweries
- Airport use increase – corporate
- Manufacturing opportunities – clean industry; modular construction
- Expensive land elsewhere
- University expansions
- Expanded filming
- Software industry
- Medical jobs – doctors, nurses, therapists; specialized procedures; UCR medical
- University expansions
- Expanded filming
- Software industry

**Threats:**
- State government – e.g., AB 109
- Regional competition from Temecula, Moreno Valley, Perris, Menifee
- County government
- Cost of living in California
- Environmental issues
- Illegal immigration

Based upon the analysis of the community’s strengths, weaknesses, opportunities, and threats, the City Council identified some high priority targeted opportunities:
- Medical industry – e.g., UCR Medical; private nursing (RN) training
- Higher education
- Recreational/entertainment destination attractions

2. **Discussion of Federal and State Legislative Advocacy Agendas**
The City Council then discussed issues at the federal or state level that they believed should be the City’s priorities in conducting legislative advocacy efforts. The results of that discussion were the following:

**State Legislative Advocacy Issues:**
- Metrolink extension to Hemet
- SR79 realignment
- Hwy 74 transfer
- Environmental regulations – CEQA
- 401(k) option under CalPERS
- AB 109 – local electeds representation
Federal Legislative Advocacy Issues:
SR79 realignment
Transportation
Public safety issues – co-op agreements
Support for identifying and capturing grants
Water funding
Solar for city buildings
Library funding
Prevent federal takeaways
PEG funding for operations, as well as capital
Soboba on transfer of land into trust

The City Council discussed having regular discussions with the City’s federal lobbyist, David Turch & Associates, in January of each year. The City Council asked staff to inform David Turch & Associates of the City’s above federal legislative advocacy issues, so they could describe to the City Council in an August, 2014 Council meeting how they will pursue each of those issues.

Mayor Pro Tem Milne joined the session at 12:08 p.m.

3. Discussion of Community Marketing/Branding Strategies
The City Council received an overview of the City’s economic development efforts, and discussed how community marketing/branding strategies can assist the City in achieving its economic development goals. They heard a presentation from North Star Destination Strategies on branding efforts for state and local governments. After the discussion, there was a consensus of the City Council members for staff to solicit a community branding proposal from North Star Destination Strategies.

Adjournment
Adjourned at 12:57 p.m. to Tuesday, August 12, 2014 at 7:00 p.m.