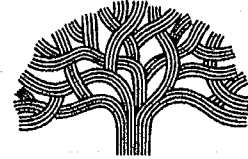


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CITY OF OAKLAND

CITY HALL ■ 1 FRANK H. OGAWA PLAZA, 2nd Floor ■ OAKLAND, CALIFORNIA 94612
Office of the Council President Larry Reid
Councilmember, District Seven

Date: Monday, June 19, 2017

To: Members of the Oakland City Council

Cc: Libby Schaaf, Mayor
Sabrina Landreth, City Administrator
LaTonda Simmons, City Clerk
Barbara Parker, City Attorney

From: Council President Larry Reid

Re: Council President's FY 2017-19 Budget – "Building a Healthy Future"

Colleagues:

In accordance with the Consolidate Fiscal Policies, I submit for your consideration my recommended amendments to the Mayor's Proposed FY 2017-19 Policy Budget.

A City budget reflects a community's core priorities and shared values. Our revised budget proposal underscores our steadfast investment in our community's future, our commitment to build a stronger foundation for the things that most improve and enrich our quality of life. That means fixing big economic issues like housing affordability and public safety that affect our entire city as well as ongoing basic responsibilities like upgrading our parks and filling potholes in the neighborhood.

As President of the Oakland City Council, I have sought to present a budget that is both a responsible use of limited public resources and responsive to the needs of Oaklanders. This Building a Healthy Future Budget strengthens the delivery of basic services while rising to meet the most pressing issues in Oakland today:

- Homelessness and Housing Displacement
- Violence Prevention
- Fire Safety

This budget benefitted greatly from input by Councilmembers Campbell Washington, Guillén and Gibson McElhaney. Together, we have sought to incorporate the shared priorities of both the Council and the community that have been expressed over the past two months during our budget deliberations and town halls. In addition to these major priority areas of housing affordability and public safety, we have sought to make strategic investments to improve our response to a variety of quality-of-life concerns, such as illegal dumping, workforce development, worker protections, and arts and culture. Several budget highlights are described below, with financial details indicated in the attached spreadsheets.


Meeting the Needs of the Unsheltered and Homeless: Nearly 2,000 of our Oakland neighbors do not have a permanent, safe and healthy place to live. Building a Healthy Future Budget proposes to use the \$1.8 million from the Affordable Housing Trust Fund to fund a comprehensive approach to help our neighbors who are in homeless encampments, to clean up these temporary places, ensure public health and provide basic services, and help unsheltered residents transition into permanent homes. Alameda County is matching the City's funds and is committed to a strong partnership to deal effectively with this regional challenge. Voter-approved measures at the City and County levels will bring up to \$100 million to create and preserve permanent, affordable housing.

Investing in Quality of Life: Building a Healthy Future Budget makes specific investments to clean up illegal dumping in our neighborhoods; restore a tree-planting crew; and repair more streets than ever before, with the help of Measure KK bond funds. This budget also significantly expands the number of school crossing guards, increases funding for the arts, continues the day laborer program, and enforces Oakland's minimum-wage law to prevent employers from keeping wages from their workers.

Building a Healthy Future Budget is in alignment with the mission of voter-approved Public Safety and Services Act of 2014 (Measure Z) to reduce acts of violence, including homicide, domestic violence and childhood sexual exploitation, using a public health model of prevention. Building a Healthy Future Budget provides funding for the Measure Z Oversight Committee endorsed Department of Violence Prevention. The establishment of a new department and the hiring of a Violence Prevention Chief will help fulfill the intent of Measure Y and Measure Z voters who want our prevention efforts be at the forefront of Oakland's overall approach to public health and safety. As the first hire, the Chief will be responsible for staffing and implementing the recommendations of the Blue Ribbon Commission.

Protecting the lives of Oaklanders is our greatest responsibility as a city. To that goal, the Building a Healthy Future Budget also makes a substantial and targeted investment in fire prevention, both in urban buildings and hillside wildfires. Building a Healthy Future budget uses a portion of the vital services stabilization fund to maintain parks and the City's existing wildfire-prevention efforts. This funding is non-recurring and anticipates the passage of a Wildfire Prevention Measure by voters in time for the next budget cycle.

Building a Healthy Future Budget is responsible in its use of funds, and I believe that it responds to the most pressing needs of our beloved Oakland community and helps strengthen our foundation for a healthier and more prosperous future for all of our residents.



Larry Reid
Council President

REVENUE

Item #	Dept.	Description	FY 2017-18 Ongoing	FY 2017-18 One-Time	FY 2018-19 Ongoing	FY 2018-19 One-Time	Totals
1	Citywide	Reallocate Use of Fund Balance from FY 2018-19 to FY 2017-18		\$ 730,204		\$ (730,204)	\$ -
2	Citywide	Cannabis Waste Surcharge/Excess Litter Fee	\$ 60,000	\$ -	\$ 60,000	\$ -	\$ 120,000
3	Citywide	Increased Parking Enforcement fines from filling budgeted parking control officer vacancies	\$ 250,000		\$ 250,000		\$ 500,000
4	Citywide	Reimbursement from special events from 2015		\$ 250,000			\$ 250,000
Subtotal of Revenue Adjustments			\$ 310,000	\$ 980,204	\$ 310,000	\$ (730,204)	\$ 870,000

REDUCTIONS

Item #	Dept.	Description	FY 2017-18	One-Time	FY 2018-19	One-Time	Totals
Admin Budget Adjustments (Errata #2)							
5	OPD	Eliminate FY16-17 "3rd academy" costs that was continued into FY18-19 beyond the required number of months (should have only been funded through November 2017)		\$ (2,537,390)		\$ (4,594,460)	\$ (7,131,850)
Contract Contingencies							
6	EWD	Reduction in existing and unspent contract contingencies		\$ (100,000)			\$ (100,000)
Staff Reductions							
7	DIT	Chief Security Officer (GPF proportional savings)	\$ (84,426)		\$ (175,886)		\$ (260,311)

Item #	Dept.	Description	FY 2017 - 18	One-Time	FY 2018 - 19	One-Time	Totals
8	CAO	Deputy City Administrator (Chief Resiliency Officer) - Downgrade to Assistant to the City Administrator	\$ (14,555)		\$ (17,685)		\$ (32,240)
9	DOT	Public Service Representative	\$ (100,518)		\$ (103,201)		\$ (203,719)
Programming Reductions							
10	HSD	Additional funds for homeless encampments (fund through AHTF)		\$ (250,000)		\$ (250,000)	\$ (500,000)
11	Non-Departmental	Reduction in set-aside allocation to Measure HH discretionary funding to hire staff position	\$ (180,000)		\$ (180,000)		\$ (360,000)
12	EWD	Reduction in set-aside allocation to Measure HH discretionary funding for Youth Summer Jobs				\$ 400,000	\$ 400,000
13	Non-Departmental	Reduction in set-aside allocation to Measure HH discretionary funding for Youth Summer Jobs				\$ (400,000)	\$ (400,000)
14	OPD	3rd Police Academy rightsizing from 50 to 35 - reflects recent Academy outcomes	\$ -	\$ -	\$ -	\$ (547,592)	\$ (547,592)
Subtotal of Reductions			\$ (379,499)	\$ (2,887,390)	\$ (476,772)	\$ (5,392,052)	\$ (9,135,712)
Funds Available for Programming			\$ 689,499	\$ 3,867,594	\$ 786,772	\$ 4,661,848	\$ 10,005,712

ADDITIONS

Item #	Dept.	Description	FY 2017 - 18	One-Time	FY 2018 - 19	One-Time	Totals
A Clean and Healthy City							
15	OPW	Illegal dumping crew (from Vital Services Stabilization Fund)	\$ 340,000	\$ 350,000	\$ 450,000		\$ 1,140,000
16	PWA	Continue Anti-Graffiti Pilot Program in D2&D3		\$ 50,000		\$ 50,000	\$ 100,000
17	City Attorney	One-time funding for Neighborhood Law Corps and Constituent Services		\$ 300,000			\$ 300,000
18	City Attorney	Paralegal to prosecute illegal dumping	\$ 133,119		\$ 137,486		\$ 270,605

Item #	Dept.	Description	FY 2017 - 18	One-Time	FY 2018 - 19	One-Time	Totals
Public Safety							
19	OPD	School-Site Safety Improvements/Crossing Guards (8-10 PT guards)		\$ 177,872		\$ 177,872	\$ 355,744
20	DVP	Chief of Violence Prevention (Y1 9 months funding)	\$ 218,195		\$ 301,475		\$ 519,670
21	DVP	Deputy Director for Violence Against Families and Children (Y1 6 months funding)	\$ 53,754		\$ 111,329		\$ 165,083
22	CAO	Fund positions removed from Measure Z	\$ 150,707		\$ 156,156		\$ 306,863
23	Fire	Full-time Wildfire inspector (funded by Vital Services Stabilization Fund)		\$ 109,935		\$ 113,920	\$ 223,855
24	Fire	Part-time Wildfire inspector (funded by Vital Services Stabilization Fund)		\$ 36,982		\$ 36,982	\$ 73,964
25	Fire	Roadside parcel clearance and goat grazing in Wildfire Prevention District (funded by Vital Services Stabilization Fund)		\$ 307,894		\$ 1,192,106	\$ 1,500,000
26	Fire	One-time Fire Commission staff (funded by Vital Services Stabilization Fund, Y1 6 months funding)		\$ 54,482		\$ 112,915	\$ 167,397
27	Fire	Continue funding for existing Wildfire Program Analyst II (from Vital Services Stabilization Fund)	\$ -	\$ -	\$ -	\$ 189,858	\$ 189,858
28	OPD	Police Commission Administrative Analyst I (0.5 FTE, Y1 9 months funding)	\$ 49,795		\$ 68,801		\$ 118,596
29	OPD	Police Commission Staffing - Office Assistant II (0.5 FTE, Y1 6 months funding)	\$ 30,179		\$ 41,698		\$ 71,877
Arts and Culture							
30	EWD	Arts and Culture Commission - Administrative Analyst I (Y1 6 months funding)	\$ 54,482		\$ 112,915		\$ 167,397
31	EWD	Cultural Arts Grants	\$ -	\$ -	\$ -	\$ 300,000	\$ 300,000

Item #	Dept.	Description	FY 2017 - 18	One-Time	FY 2018 - 19	One-Time	Totals
Workforce and Economy							
32	HSD	Funds for Youth Workforce Intervention (matched by WIOA board)		\$ 103,000		\$ 103,000	\$ 206,000
33	Non- Departmental	Day Laborer Program Increase		\$ 30,411		\$ 25,000	\$ 55,411
34	EWD	West Oakland One-Stop Neighborhood Career Center/Private Industry Council		\$ 175,000			\$ 175,000
35	EWD	Mandela Cypress Training Center support		\$ 50,000			\$ 50,000
36	CAD	Community Enforcement of Measure FF (Minimum Wage)	\$ -	\$ 240,000	\$ -	\$ 240,000	\$ 480,000
Other							
37	OPR	Parks and Recreation Foundation		\$ 40,000			\$ 40,000
38	Non- Departmental	Transfer Excess Real Estate Transfer Tax to the Vital Services Stabilization Fund (1020)		\$ -		\$ 1,011,272	\$ 1,011,272
39	Non- Departmental	Set-aside for employee compensation		\$ 1,000,000			\$ 1,000,000
40	City Council	Improve constituent responsiveness by restoring positions from past cuts	\$ 401,286		\$ 415,835		\$ 817,121
41	Non- Departmental	Transitional housing and shelter facilities grants to combat the Commercial Sexual Exploitation of Children (CSEC) in Oakland		\$ 100,000		\$ 100,000	\$ 200,000
Subtotal of Additional GPF Investments			\$ 1,431,517	\$ 3,125,576	\$ 1,795,695	\$ 3,652,925	\$ 10,005,712
Surplus (Deficit) after modifications			\$ (742,018)	\$ 742,018	\$ (1,008,923)	\$ 1,008,923	\$ (0)

NON-GENERAL PURPOSE FUND
ADJUSTMENTS *

Fund 2216 - Measure BB

Item #	Dept.	Description	FY 2017-18 Ongoing	FY 2017-18 One Time	FY 2018-19 Ongoing	FY 2018-19 One Time	Totals
1	OPW	Restore Tree Planting Crew	\$ 805,000	\$ 625,000	\$ 825,000		\$ 2,255,000
2	OPW	Staff to identify balancing measures	\$ (805,000)	\$ (625,000)	\$ (825,000)		\$ (2,255,000)
Surplus (Deficit) after modifications			\$	\$	\$	\$	\$

Fund 1870 - Affordable Housing Trust Fund (Requires Ordinance Amendments)

Item #	Dept.	Description	FY 2017-18 Ongoing	FY 2017-18 One Time	FY 2018-19 Ongoing	FY 2018-19 One Time	Totals
1	HCD	Temporary Emergency Re-allocation of Affordable Housing Boomerang Funds		\$ (1,900,000)		\$ (2,270,000)	\$ (4,170,000)
2	HSD	Safety and Sanitation for Homeless Encampments		\$ 250,000		\$ 250,000	\$ 500,000
3	HSD	Safe Haven Sites		\$ 350,000		\$ 350,000	\$ 700,000
4	Planning and Building	Healthy Housing Code Enforcement (PRI) system to reduce childhood lead poisoning and asthma in most impacted neighborhoods.		\$ 500,000		\$ 670,000	\$ 1,170,000
5	OPW	Anti-displacement funds		\$ 700,000		\$ 700,000	\$ 1,400,000
6	HSD	Family Shelter Beds		\$ 100,000		\$ 100,000	\$ 200,000
7	HSD	Operations of 2nd Henry Robinson - Navigation Center				\$ 200,000	\$ 200,000
Surplus (Deficit) after modifications			\$	\$	\$	\$	\$

Measure Z

Item #	Dept.	Description	FY 2017-18 Ongoing	FY 2017-18 One-Time	FY 2018-19 Ongoing	FY 2018-19 One-Time	Totals
1	CAO	Evaluation and Commission Support Services	\$ (530,484)		\$ (526,326)		\$ (1,056,810)
2	DVP	Evaluation and Commission Support Services	\$ 530,484		\$ 526,326		\$ 1,056,810
3	CAO	Staff Support for the Measure Z Commission	\$ (150,707)		\$ (156,156)		\$ (306,863)
4	DVP	Management Assistant	\$ 146,030		\$ 151,325		\$ 297,355
5	Mayor	Deletion of savings from past funded vacancy of Director of Public Safety		\$ (49,077)		\$ (106,498)	\$ (155,575)
6	DVP	Partial Funding of Deputy Director for Violence against Families and Children	\$ 53,754		\$ 111,329		\$ 165,083
Surplus (Deficit) after modifications			\$ 49,077	\$ (49,077)	\$ 106,498	\$ (106,498)	\$

* Amendments MUST be balanced at the individual Fund level