



DATE: June 22, 2023
TO: City Council and Members of the Public
FROM: Council President Nikki Fortunato Bas, Councilmembers Rebecca Kaplan, Carroll Fife and Kevin Jenkins
SUBJECT: Council President's Amendments to the FY 23-25 Proposed Budget

Dear City Council Colleagues and Members of the Public,

Attached for your consideration are amendments and policy directives for the Fiscal Year 2023-2025 Proposed Budget from my Council President's Budget Team including Councilmembers Rebecca Kaplan, Carroll Fife and Kevin Jenkins.

We have appreciated hearing input from each Councilmember as well as the public. We value the information and feedback we have received from our city department leaders. And, we are grateful for our collaboration with the Mayor's Office and her Administration, particularly the Finance Department.

Our starting point for these amendments is Mayor Thao's creative and thoughtful plan to achieve a balanced budget, closing a historic \$360 million deficit. Tough decisions have already been made to reduce expenditures while avoiding layoffs, maintaining critical services, and making record investments in affordable housing.

Our team scrutinized the proposed budget, spoke with city staff and community members about priorities, and identified available fund balance, revenue, and expense adjustments in order to propose these amendments to meet our city's needs.

The Mayor and Council President have made a commitment to work together as One Oakland — to focus on delivering effective and equitable services, and to lay the foundation for tackling historic racial inequities and systemic problems in order to chart a path forward towards an equitable and thriving future for all Oaklanders. Our Budget Team looks forward to discussing these amendments, and ultimately, hopes that we will collaboratively approve a balanced budget.

Budget Amendments

Below is a summary of our amendments. [Updates since the June 14th meeting are noted in blue in this memo.](#) In the budget amendments spreadsheet, updates are highlighted in orange and yellow.

Revenue & Expenditure Adjustments

1. Acceptance of the FEMA SAFER grant to reverse the rolling Fire Station brown out
2. Use of available fund balance from several funds
3. \$3 million increase in assumed revenue from property sales
4. \$2 million decrease in debt payments to the Coliseum Joint Powers Authority
5. Freezing the vacant Council Budget & Policy Analyst position (\$300,000) in order to increase DVP grants to address the sex trafficking crisis
6. Vacancy savings due to recruitment for positions in various departments, with positions starting in October 2023 or January 2024

Expenditure Additions

Community Safety, Prevention & Healing

These amendments expand our comprehensive community safety program by:

1. Committing to citywide fire and emergency services (reversing rolling Fire Station brown out)
2. Investing \$2.1 million in violence prevention programs (\$1 million per year in DVP grants, with \$300,000 per year set aside to address the sex trafficking crisis)
3. Adding \$391,000 in staffing to ensure 24/7 crisis response to violent incidents
4. Adding community ambassadors in our business corridors (\$1 million each year)
5. Increasing traffic safety with \$1.7 million — \$800,000 to be allocated evenly by each Councilmember (\$100,000 each), \$770,896 for violence prevention/sideshow prevention, and \$100,000 per year for traffic safety around Lake Merritt from parking revenue
6. Adding two (2) civilian police investigators to solve crimes (unfreezing two (2) positions). These civilian positions could help with missing persons and vehicle collision investigations, for example, and allow sworn investigators to focus on solving violent crimes.
7. Adding Human Resources staffing to hire and fill vacant MACRO crisis response positions
8. Unfreezing the Administrative Analyst II position in the Office of the Inspector General (OIG)
9. Adding \$100,000 for an OPD staffing study to be conducted by the OIG (total funds for the study will be \$200,000 including funds committed in the last budget cycle)

Housing Security and Homelessness Solutions

These amendments build on the Mayor's proposed investments in affordable housing and homelessness solutions by:

1. Creating a *Rapid Response Homeless Housing Acquisition Fund* with \$8.8 million. This fund supplements the \$216 million already in the Mayor's proposed budget for affordable housing, in order to more rapidly create housing for unhoused residents
2. Adding \$1 million per year for tenant legal services
3. Supporting housing and real estate development with: 1 FTE position to coordinate appraisals of properties for acquisition for homeless housing and of city properties for potential sale and redevelopment purposes; \$50,000 for appraisals of potential land sales, development and

acquisition; and \$100,000 to support appraisals, seismic assessments, and environmental reports for affordable housing acquisition

Good Jobs & Vibrant Economy

These amendments support our artists and culture keepers, business community and workers by:

1. Increasing Cultural Affairs grants by \$300,000 each year
2. Unfreezing the Program Analyst II position in the Cultural Affairs Division
3. Unfreezing the Special Events Coordinator position
4. Adding \$100,000 per year for activation of Frank Ogawa Plaza
5. Unfreezing the Urban Economic Analyst II in Economic & Workforce Development to provide multilingual business assistance
6. Adding \$200,000 per year for the Facade Improvement Program to support small businesses
7. Increasing the Workplace Outreach & Education Contract by \$43,000 to account for six (6) years of inflation (total contract would be \$283,000 per year)
8. Adding Human Resources staffing to hire and fill vacant Planning & Building positions

Clean, Healthy, Sustainable Neighborhoods

These amendments support our diverse Oakland community and environment with:

1. *Increasing the funds for direct community grants, to be allocated evenly by each Councilmember at \$119,150 each in Year 1 and \$106,250 in Year 2. Note that our budget team, in collaboration with the Finance Department, plans to bring a grants resolution to Council on July 18, 2023. Councilmembers may name their grantees if they are ready to do so by the publication of the meeting agenda on July 16th or the supplemental agenda on July 13th. See the [2023 Direct Community Grants Eligibility List](#) in the online Budget Portal. Any remaining grants to be allocated will be brought back to Council in the Fall.*
2. \$100,000 per year for the Oakland Public Library to purchase canopies, tables, chairs, and rugs for each library location for expanded outdoor programming
3. *Unfreezing the Senior Services Supervisor in the Human Services Department*
4. \$500,000 to SABA Grocers Food Card Program each year for food security. *Note that the Sugar Sweetened Beverage Tax Advisory Commission will allocate the remaining \$1.5 million.*
5. \$300,000 to SOS Meals on Wheels each year for senior food security
6. *\$70,000 to Feather River Camp each year*
7. \$43,200 to Fairyland to restore the contract amount each year
8. \$40,000 to Oakland Asian Cultural Center to restore the contract amount each year
9. *\$9,180 to Peralta Hacienda to restore the contract amount each year*
10. Allocation of \$1 million per year in parking revenue for Lake Merritt to advance equity and inclusion via the Lake Merritt Freedom Market supporting BIPOC vendors and Lake Merritt events; Park Stewards; parks maintenance; traffic safety improvements around Lake Merritt; and staffing to support safety and compliance at the Lake
11. Available funds from Measure Q to program for parks maintenance (\$1.6M) and stormwater (\$126k).

Effective Government

These amendments advance a more effective government by:

1. Adding capacity to the Public Ethics Commission with the unfreezing of the Program Manager position to implement Measure W and adding \$155,000 in discretionary funds
2. Adding \$10,900 for laptops for job fairs to improve onsite application and hiring process
3. Adding a Grant Writer under the City Administrator's Office to support increased revenue generation and advancing the health & well-being of Oakland residents by:
 - o coordinating applying for grants across departments, with a focus on raising revenue,
 - o seeking state and federal grants, collaborating with Oakland's lobbyist, and
 - o partnering with the [Oakland Fund for Public Innovation \(OFPI\)](#) on private fundraising. OFPI already partners with DVP, Cultural Affairs, and EWD/Youth Summer Jobs.

This position would focus on seeking grants that address and advance holistic community safety, children, youth, families and parks (working with Department of Children, Youth & Families, DVP, OPD, OFD/MACRO, Neighborhood Services, OakDOT/Traffic Safety).

The City Administrator shall provide an informational report to the Finance & Management Committee by October 31, 2023 detailing the position description, potential grants, and initial fundraising priorities; and the Committee shall receive quarterly reports to ensure alignment of priorities that advance holistic community safety, children, youth, families and parks, as well as transparency and accountability in fundraising and programming.

Please note that these amendments incorporate requests from the Administration and Office of the City Attorney, which are mostly budget neutral. See the budget amendments spreadsheet items highlighted in blue and the memo from the Administration.

Budget Policy Directives

Attached are our team's Budget Policy Directives. Highlights include:

1. Affordable Housing: development of a coordinated advocacy strategy with County, State & Federal Government for funding and policy that supports successfully exiting unhoused individuals from shelter into permanent housing.
2. Community Safety: staffing and resource analysis of the Oakland Police Department to be conducted by the Office of the Inspector General to: identify current resources; determine the number of officers needed in a particular geographic area; and decide how staffing and operational resources should be allocated.
3. Effective Government:
 - a. Reorganization Plan and quarterly informational memos to Council and Public, with a report to Council by March 30, 2024 for consideration during mid-cycle budget.
 - b. Vacancy Strikeforce informational report to Council and Public on filling priority positions in Public Works, Housing & Community Development, Planning & Building,

- and Department of Transportation, and creating a more robust pipeline into City jobs and focused outreach to populations who have historically been economically marginalized
4. Revenue Generation: development of a plan for increased revenue generation, that includes but is not limited to: an economic development strategy to grow the tax base; development of a new ballot measure to replace Measure Z, the Oakland Public Safety and Services Violence Prevention Act, which expires in 2024; partnering with the Association of Bay Area Governments to place a regional affordable housing bond measure on the 2024 ballot; and partnering with the Oakland Fund for Public Innovation to develop private partnerships to resource the City's key priorities.

We look forward to discussing our proposed amendments, hearing public comments, and working toward achieving a balanced budget. Thank you to the Finance Staff and other Department Staff for supporting our budget deliberations, and to the Mayor's Office for your partnership.

For questions regarding this memo, please contact Cinthya Muñoz Ramos, Chief of Staff, Office of Council President Nikki Fortunato Bas, at cmunozramos@oaklandca.gov.

Respectfully Submitted,



Nikki Fortunato Bas
Council President, District 2



Carroll Fife
Councilmember, District 3



Rebecca Kaplan
Councilmember, At Large



Kevin Jenkins
Councilmember, District 6

Attachments:

1. Budget Policy Directives
2. Spreadsheet of Budget Amendments
3. Slide Presentation

Oakland Council President’s Budget Team
Budget Policy Directives

Affordable Housing

1. Direct the City Administrator to develop a **coordinated advocacy strategy with County, State & Federal Government for funding and policy that supports successfully exiting individuals from shelter into permanent housing.**
 - a. The *Rapid Response Homeless Housing Acquisition Fund*, created with these proposed budget amendments, sets aside \$8,871,364 to rapidly create housing to serve unhoused individuals, including funding capital and operating costs. This supplements millions from Measure U, as well as potential funds from State Homekey Grants. [The Council President’s budget team in collaboration with the City Administrator shall provide an informational report and recommendation to the Life Enrichment Committee before October 31, 2023 proposing the process for allocating these funds.](#)
 - b. [This coordinated strategy includes seizing opportunities for housing by rapidly conducting appraisals for properties, including the Sage Motel located at 4844 MacArthur Blvd., the property located at 674 Sycamore Street, and the Welcome Inn Hotel located at 9920 MacArthur Blvd. for the purpose of acquisition for homeless housing; evaluating the feasibility of acquiring these three properties for homeless housing in partnership with Ruby’s Place, the Oakland LGBTQ Community Center, and La Familia; and authorizing the City Administrator or their designee to pursue appraisals for other properties without returning to Council for the acquisition of transitional and homeless housing units.](#)
2. Direct the City Administrator to designate future net proceeds generated from the sale or lease of City owned properties designated for affordable housing development to the **Affordable Housing Trust Fund**. Net proceeds is defined as "all sales/lease proceeds net of transaction costs." Net proceeds does not include any fees paid by developers intended to cover third-party expenses related to the negotiation of DDAs, LDDAs and Ground Leases or funds needed for interim property maintenance and other administrative costs.
3. Direct the City Administrator to designate the East 12th parcel lease payments to the **Affordable Housing Trust Fund**.
4. Subject to funding availability for an additional Real Estate FTE, which is included in the Council President’s budget amendments, direct the City Administrator to pursue a **program to offer available, small properties (less than 5,000 sq ft) to abutting property owners for purchase** (per Gov. Code § 54221 (f)(1)(B), excerpted below).
 - a. (f) (1) Except as provided in paragraph (2), “exempt surplus land” means any of the following: (B) Surplus land that is (i) less than 5,000 square feet in area, (ii) less than the minimum legal residential building lot size for the jurisdiction in which the parcel is located, or 5,000 square feet in area, whichever is less, or (iii) has no record access and is less than 10,000 square feet in area; and is not contiguous to land owned by a state or local agency that is used for open-space or low- and moderate-income housing purposes. If the surplus land is not sold to an owner of contiguous land, it is not considered exempt surplus land and is subject to this article.

Community Safety

1. Direct the City Administrator or their designee (Office of the Inspector General) to conduct a **staffing study and resource analysis of the Oakland Police Department (OPD)**. This study would help to:
 - a. Identify current resources
 - b. Determine the number of officers needed in a particular geographic area
 - c. Decide how staffing and operational resources should be allocatedCalls for service audits and resource allocation reviews are best when tied to a staffing study. If the City of Oakland's objective is to determine if police are responding to calls for service in an efficient timeframe, it is critical to first know the number of available officers, target timeframes, and how alternate resources can be used to supplement services. \$200,000 shall be allocated for this study (\$100,000 designated in the FY 2021 - 2023 budget and \$100,000 designated in the proposed budget amendments).
2. Direct the City Administrator or their designee to develop a **new civilian investigative classification** for a Police Services Technician position to manage traffic cases, replacing Police Officers who are currently performing these duties.

Effective Government

1. Direct the City Administrator to prepare a **Reorganization Plan** and provide quarterly informational memos to the Council and Public, and schedule a report to City Council by March 30, 2024 for consideration during the mid-cycle budget process.
 - a. [The Plan should address questions that have arisen during the budget process and include information on efficiencies, costs savings and meeting goals and priorities for service delivery.](#)
 - b. The Plan shall also include a feasibility study regarding moving the 911 Call Center out of the Oakland Police Department (OPD) and into civilian administration.
2. Direct the City Administrator to provide an update via an informational report on the “**Vacancy Strikeforce** ... filling the over 340 vacant positions in Oakland Public Works, Housing and Community Development, Planning and Building, and the Department of Transportation.”
 - a. The update should also include information on creating a more robust pipeline into City jobs from local schools and community colleges and focused outreach to populations who have historically been economically marginalized such as formerly incarcerated individuals.
3. Direct the City Administrator to provide an update via an informational report on the “**study of salaries and compensation** for all City workers to assess if the City is competitive with other neighboring public agencies.”
4. Direct the City Administrator to research and apply for local, state, and federal grants/programs that accelerate the City's efforts to procure, operate, and manage a **zero-emission vehicle fleet** and build out the City's zero-emission charging and fueling infrastructure as outlined in the City's Zero Emission Vehicle Action Plan, Action CL-8 – Accelerate City Fleet Vehicle Replacement.
5. Direct the City Administrator to create a **plan for increased revenue generation**, that includes but is not limited to:
 - a. An **economic development strategy** to grow the tax base, currently underway and anticipated for completion in the second half of 2024,

- b. Development of a **new ballot measure to replace Measure Z**, the Oakland Public Safety and Services Violence Prevention Act, which expires in 2024, including polling,
 - c. Partnering with the Association of Bay Area Governments to place a **regional affordable housing bond measure** on the 2024 ballot, and
 - d. Partnering with the **Oakland Fund for Public Innovation** to develop private partnerships to resource the City’s key priorities.
6. Direct the City Administrator to hire a **Grant Writer under the City Administrator’s Office** to support increased revenue generation and advancing the health & well-being of Oakland residents by:
- a. coordinating applying for grants across departments, with a focus on raising revenue,
 - b. seeking state and federal grants, collaborating with Oakland’s lobbyist, and
 - c. partnering with the Oakland Fund for Public Innovation (OFPI) on private fundraising. OFPI already partners with DVP, Cultural Affairs, and EWD/Youth Summer Jobs.

This position would focus on seeking grants that address and advance holistic community safety, children, youth, families and parks (working with Department of Children, Youth & Families, DVP, OPD, OFD/MACRO, Neighborhood Services, OakDOT/Traffic Safety).

The City Administrator shall provide an informational report to the Finance & Management Committee by October 31, 2023 detailing the position description, potential grants, and initial fundraising priorities; and the Committee shall receive quarterly reports to ensure alignment of priorities that advance holistic community safety, children, youth, families and parks, as well as transparency and accountability in fundraising and programming.

7. Direct the City Administrator to **carry forward the following funds into the FY 2023-2025 budget cycle**:
- a. The Council President requests that all unexpended funds from prior budgets for the following are carried forward to the FY 2023-2025 budget cycle:
 - i. Council Mural Funds
 - ii. Council Traffic Safety Projects
 - iii. Council Parks Improvement Projects
 - iv. Council Direct Community Grants

The Council President shall be available to meet with the City Administrator to review such unexpended funds.
 - b. The District 3 office requests that all unexpended funds from prior budgets for the Black Arts Movement and Business District (BAMBD) are carried forward to the FY 2023-2025 budget cycle for the purposes stated in the FY 2021-2023 biennial budget policy directives, including program development for small business incubation, lease support, grants, and signage.
 - c. The District 7 office requests that \$150,000 included in the FY 2021-2023 for public safety security cameras in commercial corridors in East Oakland Districts 6 and 7 are carried forward to the FY 2023-2025 budget cycle.

- d. The Council President requests that \$70,000 from FY 2021-2023 for the Office of the Inspector General (OIG) be encumbered for the purposes of covering Year 1 expenses for the OIG Audit Software. Audit Software will streamline reporting for the OIG and will also provide more transparency to stakeholders and members of the public.