



Agenda Report

TO: Honorable Mayor, Members of the City Council, and
Members of the Public

FROM: Council President Pro
Tempore Noel Gallo

SUBJECT: 2025 Council Retreat

DATE: February 25, 2025

RECOMMENDATION

Council President Pro Tempore Noel Gallo Recommends That The City Council Adopt A Report And Recommendation For Discussion And Potential Action To Establish Council Values And Budget Policy Priorities For The Fiscal Year 2025-27 Budgeting Process.

EXECUTIVE SUMMARY

Every two years, the Council convenes a retreat to kick off the budget process and set priorities. This year's retreat will take place on Friday, March 7th, from 9:00 AM to approximately 2:00 PM at Oakland City Chambers. This report summarizes the Council's budget and policy priorities to date, which will be updated during the retreat. An agenda is attached with detailed information on each presentation.

BACKGROUND/ LEGISLATIVE HISTORY

In March 2023, the City Council reaffirmed and updated its priorities, grounded in the values of **equity, fiscal responsibility, transparency, and results** to serve all of Oakland—ensuring the city's most disadvantaged residents and low-wage workforce can thrive.

A key focus was strengthening collaboration across all branches of government as **One Oakland**, working in greater unity to address citywide challenges. The discussion also emphasized the need to prioritize the equitable delivery of **core services** and achieve measurable results, beginning with **filling critical staff vacancies** to enhance city operations.

Additionally, the Council highlighted the importance of **implementing** previously approved policies and directives while fostering **intergovernmental collaboration** to take a more comprehensive approach to city governance. Finally, ensuring **greater accountability and effectiveness** in budget management was a central theme, along with expanding **community**

education and engagement to improve public understanding and participation in the budget process.

The **2023 Council priorities** were established to guide the City's budget and policy decisions for the **Fiscal Years 2023-25**. These priorities have shaped efforts to address key challenges in **housing, community safety, economic opportunity, and environmental sustainability**, emphasizing equity, inter-agency coordination, and data-driven strategies to reduce disparities and improve outcomes for all Oakland residents.

1. Housing Security & Homelessness Solutions

- Prevention & Protection – Protect tenants and low-income property owners to prevent homelessness.
- Preservation – Maintain and preserve existing affordable housing.
- Production – Develop deeply affordable housing, especially for transitional-aged youth and seniors.
- Emergency & Transitional Housing – Lease or purchase hotels, utilize public land for emergency shelters, safe parking sites, and transitional housing.
- Encampment Services – Expand outreach, supportive services, and sanitation at encampments.
- Inter-Agency Coordination – Work with **County, State, and Federal** partners to address the root causes of homelessness and displacement.

2. Community Safety, Prevention & Healing

- Reimagining Public Safety – Implement 12 key recommendations, including alternative responses to service calls and civilianizing certain sworn functions.
- Gun Violence Reduction – Enhance investigation capacity and solve rates for violent crimes.
- Traffic Safety – Reduce traffic-related injuries and fatalities by improving Oakland's High Injury Network.
- Violence Prevention & Healing – Expand trauma-informed care and mental health support.
- Alternative Response Programs – Expand MACRO and other non-police intervention services.
- Crime Prevention Through Environmental Design (CPTED) – Implement strategies to reduce crime and enhance neighborhood safety.

3. Good Jobs & Vibrant Economy

- Job Creation – Expand access to family-sustaining jobs.
- Workforce Development – Enhance training programs and increase youth employment opportunities.
- Small Business Support – Address racial and gender disparities and invest in business district improvements.
- City Staffing – Fully staff city departments by improving recruitment, retention, and succession planning.

4. Clean, Healthy & Sustainable Neighborhoods

- **Illegal Dumping & Blight Reduction** – Enhance enforcement, proactive service, and abandoned vehicle removal.
- **Infrastructure Maintenance** – Ensure safe streets and sidewalks through regular maintenance and paving projects.
- **Public Spaces & Community Services** – Invest in parks, libraries, youth development, senior services, and arts & culture.
- **Disaster Preparedness & Wildfire Prevention** – Expand emergency response initiatives to protect vulnerable communities.

In May 2023, the [Administration proposed the FY 2025-2027](#) budget through an accessible online platform. It utilized a Racial Equity Analysis tool to evaluate how proposed service changes would benefit or potentially impact low-income Black, Indigenous, and other communities of color. Additionally, the Administration implemented recommendations from the City Auditor, addressing the previous under-budgeting of police overtime by ensuring expenditures were accurately funded to maintain essential services.

In June 2023, the [Council adopted a balanced budget](#), incorporating amendments from the Council President’s Budget Team, and took significant steps toward addressing systemic disinvestment in marginalized communities. The 2023 budget allocations and policy directives prioritize housing, jobs, violence prevention, and youth investment, fostering a stronger infrastructure for community well-being. Key highlights of the adopted budget include policy directives and budget allocations to:

- **Affordable Housing & Homelessness Solutions** – A \$216 million investment for creating, acquiring, and preserving affordable housing. The Council established an \$8.8 million Rapid Response Homeless Housing Acquisition Fund to accelerate housing solutions for unhoused residents and allocated \$1 million annually for tenant legal services, especially critical with the expiration of the COVID eviction moratorium on July 15.
- **Expanding Community Safety** – Activation of public spaces, \$1 million annually for community ambassadors in business corridors, hiring of two civilian police investigators to assist in solving crimes, and prioritizing the recruitment of 911 dispatchers and MACRO crisis responders. The Council also approved Mayor Thao’s police staffing plan, ensuring realistic officer levels by accounting for the time needed to recruit, train, and graduate new officers.
- **Violence Prevention** – An additional \$2.85 million in violence prevention programs, including \$600,000 specifically for addressing sex trafficking, along with funding for 24/7 crisis response services.
- **Economic Support** – Continued investment in the small business Facade Improvement Program with \$200,000 in funding and enhanced staffing for multilingual business assistance. The budget also increases Cultural Affairs grants by \$300,000 annually and provides funding to activate Frank Ogawa Plaza and support cultural events.

- **Safe, Clean, and Healthy Neighborhoods** – Increased funding for park maintenance and facility improvements, along with an additional \$10 million dedicated to traffic safety enhancements.
- **Fire Safety** – Allocation of FEMA SAFER grant funds to prevent proposed fire station rolling brownouts, ensuring uninterrupted fire and emergency services across all communities for the next two years.
- **Family Support** – Expanded hours and services for Oakland’s Head Start and Early Head Start programs. The budget also provides \$300,000 annually for senior programs and Meals on Wheels, \$70,000 per year for Feather River Camp, and \$500,000 annually to SABA Grocers to enhance food security and healthy food access.
- **Democracy & Civic Engagement** – Initial funding to implement Measure W/Democracy Dollars, including software, staff for education and training, and discretionary funds to support the 2024 election.
- **City Department Reorganization** – A plan to streamline city services, with quarterly progress reports to the Council, including an update by March 31, 2024, ahead of a final decision during the mid-cycle budget process.

As part of the City’s Biannual or Midcycle Budgets, the City Council adopts budget allocations and directs staff to assess or implement specific policies, programs, or performance targets. Staff are required to report back at a future date with findings, recommendations, and/or a proposed implementation plan.

The [Policy Directives Tracking](#) document monitors the progress of directives from Fiscal Years 2019-2021 and 2021-2023. The administration will release an updated version of this document after the current fiscal year concludes.

FY 2025 - 2027 Budget Timeline & Benchmarks

Oakland’s [Consolidated Fiscal Policy](#) (2020) outlines the city’s budget process. Below are the key benchmarks for the FY 2023 - 2025 budget cycle:

- **March 15: Councilmember Priorities Submission**
Councilmembers must submit their budget priorities to the Mayor, Interim City Administrator, Finance Director, and Budget Director. Each Councilmember may propose up to seven ranked or weighted expenditure priorities to modify the baseline budget, as detailed in the Five-Year Forecast. These priorities must be included in a report to the City Council or provided in a publicly accessible document to the Mayor and City Administrator. Additional recommendations, including revenue proposals, may also be submitted.
- **Before April 15: Budget Outlook Message & Calendar Report**
The City Council must receive a **Budget Outlook Message & Calendar Report** by this date. This report provides an overview of the budget development process, including key dates for budget events such as the release of the Proposed Budget, Community Budget Forums, Council budget meetings, and the formal budget adoption timeline.
- **By May 1: Mayor’s Proposed Budget Published**
- **Before May 15: Mayor’s Proposed Budget Presented at Special Council Meeting**

- **May & June: Community Budget Forums**
Each Council district must schedule a **Community Budget Forum** within this timeframe in coordination with the Budget Administrator.
- **By June 1: Budget Advisory Commission's Report Released**
- **By June 12: Council President's and Other Amendments Published**
- **Before June 17: Special Meeting to Present Amendments**
- **By June 30: City Council Adopts a Balanced Budget**

This timeline ensures transparency, public engagement, and strategic decision-making throughout the budget process

ANALYSIS AND POLICY ALTERNATIVES

As the Consolidated Fiscal Policy outlines, the council retreat is a key step in the budget process.

The Mayor and City Council will hold a bi-annual budget workshop soon after the commencement of the Council term. The workshop will include briefings on estimated baseline expenditures, revenue projections and an overview of the City's budgeting process. The workshop will provide the Mayor and Council with the opportunity to begin discussing priorities for the next budget year based on the Assessment of Stakeholder Needs, Concerns and Priorities.

The retreat fosters discussion on Oakland's fiscal landscape and policy direction by bringing together the Council, other branches of government, and community members. It allows for reflection on shared values, prioritization of key initiatives, and incorporating public input to ensure the budget aligns with the city's most pressing needs. Through this process, Oakland's leadership can refine its strategies and allocate resources effectively to serve residents.

FISCAL IMPACT

There is no fiscal impact identified in association with this report.

PUBLIC OUTREACH/INTEREST

The retreat will be held as a public in-person meeting at Oakland City Hall and will also be available for remote participation via Zoom. Members of the public are encouraged to attend and will have the opportunity to provide comments.

COORDINATION

Council President Pro Tempore Gallo and his office collaborated with the Oakland Chamber of Commerce, the Finance Department, and the Budget Advisory Commission to develop this retreat agenda.

SUSTAINABLE OPPORTUNITIES

Economic: The Council retreat and budget process, shaped by community engagement, can expand economic opportunities for Oakland residents, particularly those who have been historically marginalized and most deeply affected by economic disparities.

Environmental: Through inclusive community engagement, the Council retreat and budget process can drive policies that enhance environmental sustainability, ensuring a cleaner, healthier Oakland for all, especially for communities disproportionately affected by environmental challenges.

Race & Equity: By prioritizing the voices of those most affected by systemic inequities, the Council retreat and budget process can advance racial equity, empowering residents to share their lived experiences and actively shape legislation that impacts their communities.

ACTION REQUESTED OF THE CITY COUNCIL

Council President Pro Tempore Noel Gallo Recommends That The City Council: **Adopt A Report And Recommendation For Discussion And Potential Action To Establish Council Values And Budget Policy Priorities For The Fiscal Year 2025-27 Budgeting Process.**

For questions regarding this report, please contact Josephine Guzman, District Director, at jguzman@oaklandca.gov.

Yours in Service,



Noel Gallo
Councilmember District 5