



# AGENDA REPORT

**TO:** Edward D. Reiskin  
City Administrator

**FROM:** Fred Kelley  
Acting Director, Oakland  
Department of  
Transportation

**SUBJECT:** SUPPLEMENTAL – Report with  
Recommendations on VM Kaplan’s  
Proposed Budget Amendments

**DATE:** July 21, 2022

City Administrator Approval 

Date: Jul 21, 2022

## **RECOMMENDATION**

**Staff Recommends That The City Council Receive A Report With Recommendations In Response To Vice Mayor Kaplan’s Proposed Budget Amendments To The FY 22-23 Midcycle Adopted Policy Budget**

## **REASON FOR SUPPLEMENTAL**

Vice Mayor Rebecca Kaplan proposed budget amendments to the FY 22-23 Midcycle Adopted Policy Budget in the materials for the July 11<sup>th</sup> Council meeting. Councilmember Kalb requested that the Department of Transportation (OakDOT) prepare a formal response for consideration at the July 26<sup>th</sup> Council meeting.

Staff have provided a summary of Vice Mayor Kaplan’s Proposed Amendments to Measure BB funds, and our analysis and suggested alternatives, as applicable, below.

### **Summary of Vice Mayor Kaplan’s Proposed Amendments to Measure BB (Funds 2218, 2219 and 2220)**

<b>Fund</b>	<b>Dept.</b>	<b>Description</b>	<b>FY 2022-23</b>	<b>Notes from Vice Mayor’s Proposal*</b>
2218	DOT	New Position Salary Savings	\$ (220,933)	Costing analysis done by DOF because not all new positions will be hired on July 1st Per Memo from Finance
2218	DOT	Traffic Calming	\$ 800,000	\$100,000 per Council office for discretionary traffic calming such as speed bumps and stop signs and diverters
2218	DOT	AC Transit Bus Passes	\$ 200,000	Funding for Bulk AC Transit Passes for OFCY and Violence Prevention Program etc. Participants and Staff
2218	DOT	OK Program Transportation	\$ 25,000	Funding for OK program to provide transportation

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2218	DOT	Free BRT Weekend Service	\$ 1,300,000	Free BRT Weekend Service
2218	DOT	Love Life Street Signage	\$ 200,000	Installing Love Life, Oakland's motto, Street Signage
2219	DOT	Bike and Pedestrian Wayfinding Signage	\$ 200,000	Signage for bike routes and pedestrian way-finding
2220	Non-dept. grant	Dig Deep Farm Food Delivery Program	\$ 170,000	Grant Funding for delivery Drivers - Food Delivery Program, part of Alameda County All in Eats program
2220	Non-dept. grant	Meals on Wheels	\$ 170,000	Food Delivery for seniors and peoples with disabilities - grant to non-profit
<b>Total</b>			<b>\$ 2,864,067</b>	

*\*Exhibit 1 from File #22-0597*

The following section responds to the Vice Mayor’s proposal:

### **New Position Salary Savings**

OakDOT is not opposed to this proposed fund reduction.

### **Traffic Calming**

OakDOT has concerns regarding the operational impacts on OakDOT’s Safe Streets Division of an additional \$800,000 allocation in discretionary traffic calming funding. Additional earmarks would refocus limited staff resources on locations identified by Council offices rather than through established prioritization processes based on safety and equity, competing with and/or delaying existing urgently needed efforts.

Since April 2021, Oakland City Council has added discretionary funding/earmarks to OakDOT’s budget totaling close to \$4 million (\$800K in April 2021 + approximately \$3 million in July 2021 which includes approximately \$600K for staffing, materials). Combined with staff vacancies, these allocations and the resulting scoping and design of new projects have created a significant backlog of work, resulting in allocations that cannot be spent within the budget cycle.

Given the need for safety improvements in high priority communities and on the high injury network, combined with OakDOT’s significant supply chain and vacancy challenges, adding additional earmarked funds to the budget would further divert OakDOT staff resources from core programs that use equity and safety metrics to address longstanding needs. These programs include:

- Responding to traffic safety service requests submitted by residents in severe crash areas and priority equity communities
- Implementation of safety improvements for schools
- Rapid responses to severe and fatal crashes
- Installation of speed bumps

- Pilot sideshow and violence prevention installations in locations most impacted by large/violent sideshows and community violence; and
- Speed limit lowering in support of Safe Oakland Streets.

**Staff Recommendation:**

Allocate these funds to **augment our existing core programs, namely the Traffic Calming Program in our CIP**, or to purchase needed materials for ongoing traffic safety maintenance for signal and street light poles, rectangular rapid-flashing beacons (RRFB) maintenance, and sign poles/aluminum in light of increasing costs. That way, the funds can be spent consistent with existing data driven prioritization methods as staff resources become available, rather than setting aside existing priorities for new projects.

*More information about the work of the Safe Streets Division is available in the recent Council reports on Traffic Calming:*

<https://www.oaklandca.gov/projects/traffic-safety-800k-allocation-oakdot-prioritization-and-process>

*More information on the 2021 earmarks is available here:*

<https://www.oaklandca.gov/projects/2021-2023-traffic-safety-earmarks>

**Investments in Transit Operations:**

The City and AC Transit recently formed an Interagency Liaison Committee, which is led by several members of City Council and AC Transit’s Board of Directors. This may be a more appropriate forum to discuss policy decisions impacting free or reduced fares, including those proposed to be directly subsidized by the City. City-subsidized fares would represent a new policy direction that should be examined as part of an overall mobility strategy. The recently adopted AC Transit/City Transit Action Strategy, which contains a discrete list of quick-build and longer-term implementation projects, should also be consulted when making transit investments. While one-time proposals may have merit, staff is concerned about using the budget process to fund individual initiatives without adequate analysis to determine their relative prioritization, as well as engagement with transit providers to determine feasibility.

**Staff Recommendation:**

One alternative to funding partial efforts would be to fund a dedicated transit action strategy program that funds implementation of capital and operational improvements to the transit system. These improvements then could be vetted through the Interagency Liaison Committee.

More specifically, regarding the individual proposals:

**1. AC Transit Bus Passes**

To our knowledge, the City has not traditionally provided funding for transit passes for non-City staff, and we believe a policy shift of this nature should be analyzed in the context of overall mobility priorities and needs. We also suggest caution when allocating

one-time surplus funds to ongoing operating expenses, as this could create a precedent that the City may not be able to support in the future without putting other core transportation functions at risk. If the City wishes to move forward with funding transit passes, we’d recommend that Council consult with other departments (such as HSD or HRM) who already administer paratransit and transit passes to City staff.

**2. OK Program Transportation**

While OakDOT is not opposed to this use in concept, we are unclear if we would need to play a role in implementation and administration. In addition, we believe Council should exercise caution when allocating one-time surplus funds to ongoing operating expenses, as this could create a precedent that the City may not be able to support in the future without putting other core functions at risk. Finally, there are many non-profit service organizations providing opportunities and support to high priority communities in Oakland, and question whether there should be a more transparent process regarding the proposed allocation.

**3. Free BRT Weekend Service**

We wholly support providing additional mobility options to those living in marginalized communities. While free BRT weekend service is an eligible use of these funds, Measure BB direct local distribution funds have not been used to directly fund bus operations, and staff would need time to work through the payment mechanism. This process would likely involve development and implementation of an MOU with AC Transit, which may take months to establish. Once finalized, OakDOT would also need authorization from Council to enter into a MOU. If the goal is to support mobility options to Lake Merritt as an outcome of the parking meter pilot, free BRT service would likely not be rolled out immediately, which may not align with the schedule of the one-year parking management pilot.

In addition, ACTC revenues are sales-tax driven and subject to decline in the future (for example, due to recessions) and a one-time fund balance surplus is not a sustainable source for ongoing operating expenses. Surplus revenue to support free BRT weekend service may not be available in the future without jeopardizing core OakDOT delivery functions, such as street safety improvements. Funding for one-year of BRT weekend service could create the perception amongst the public that the program will continue in perpetuity.

Additional coordination with AC Transit staff would also be needed to confirm they have organizational capacity to implement additional requirements of free BRT service, including marketing of the service to the public. Based on initial conversations, it appears that the proposal would be operationally challenging for AC Transit to administer and potentially unfeasible.

**Love Life Street Signage**

Staff do not recommend allocating funds to this line item, as it is unlikely that OakDOT would be able to complete this task in this fiscal year. The traffic maintenance team currently has four of

seven sign maintenance workers vacant and has a significant backlog of sign commitments that are prioritized based on street safety concerns.

***Staff Recommendation:***

Allocate these funds **to material purchases related to traffic and sign maintenance** in light of increasing costs. That way, the funds can be spent consistent with existing data driven prioritization methods as staff resources become available, rather than setting aside existing priorities for new projects.

**Bike and Pedestrian Wayfinding Signage**

The \$200,000 allocation (Fund 2219) is not needed as this time for this purpose, and it is unlikely to be spent in FY22-23. OakDOT recently received a \$75,000 grant from the Transportation Development Act (TDA) Article 3 funding program for its ongoing Bicyclist Signage Program with expenses eligible as of 7/1/2022. OakDOT regularly uses TDA Article 3 grants to fund the Bicycle Signage Program, with \$200,000 in grants received from FY17-18 through FY21-22. These previous grants provided an average of \$40,000/year, and thus we estimate that the current \$75,000 grant will last for approximately two years. Upcoming production of wayfinding signage may be slower due to a March 2022 retirement that created a vacancy in a key position for this program (Transportation Planner III).

***Staff Recommendation:***

OakDOT recommends that these Measure BB Bike/Ped funds (Fund 2219) be used instead to help close a funding shortfall for planned upgrades to The Shed, the bicycle workshop and education space located at the Martin Luther King Jr Branch Library in East Oakland. This project is a collaboration between the Oakland Public Library and OakDOT.

**Dig Deep Farm Food Delivery Program**

OakDOT is not opposed to this use in concept but believes caution should be exercised when allocating one-time surplus funds to ongoing operating expenses, as this could set a precedent that the City may not be able to support in the future without putting core transportation functions at risk.

**Meals on Wheels**

OakDOT is not opposed to this use in concept but believes caution should be exercised when allocating one-time surplus funds to ongoing operating expenses, as this could set a precedent that the City may not be able to support in the future without putting core transportation functions at risk.

Edward D. Reiskin, City Administrator

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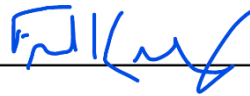
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**ACTION REQUESTED OF THE CITY COUNCIL**

Staff Recommends That The City Council Receive A Report With Recommendations In Response To Vice Mayor Kaplan’s Proposed Budget Amendments To The FY 22-23 Midcycle Adopted Policy Budget.

For questions, please contact Fred Kelley, Acting Director, at [fkelly@oaklandca.gov](mailto:fkelly@oaklandca.gov).

Respectfully submitted,



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FRED KELLEY  
Acting Director, Department of Transportation

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July 26, 2022