

CITY OF OAKLAND

AGENDA REPORT

OFFICE OF THE CITY ADMINISTRATOR
2006 NOV 15 PM 12:58

TO: Office of the City Administrator
ATTN: Deborah A. Edgerly
FROM: Budget Office
DATE: November 28, 2006

RE: **Report on FY 2005-06 Performance Measure Results for the Community and Economic Development Agency**

SUMMARY

This report presents the Fiscal Year 2005-06 performance measure results for the Community and Economic Development Agency (CEDA) (Attachment A). The results are presented at a department level, by program, for both financial and operational performance. The intent of this report is to assist the Administration and Council in making managerial and/or policy decisions. The report is also intended to provide the information necessary to allow managers throughout the City to evaluate their programs and create an environment of accountability and achievement while helping their respective units and departments¹ remain focused on Council priorities.

FISCAL IMPACT

There is no direct fiscal impact from the information presented in this report. However, the degree to which departments are meeting their respective performance targets does impact and is reflected in the City's overall financial performance.

BACKGROUND

Fiscal Year 2005-06 marks the City's eighth year of performance data collection and reporting. In addition, this is the third year of reporting financial and operational performance at a program level with linkages to the overall goals and priorities of the Mayor and the City Council.

The City Administrator's Budget Office works with departments to verify the accuracy of Financial Performance data and to ensure that the performance measures reported by departments are consistent with those in the Adopted Policy Budget document. Departments are responsible for ensuring the relevance, accuracy and applicability of the Operational Performance Measures.

¹ For purposes of this report, all agencies and departments are referred to as "departments."

KEY ISSUES AND IMPACTS

The Community and Economic Development Agency (CEDA) FY 2005-06 Performance Report is organized by program.

- a) Financial Performance: Provides a summary of the revenues and expenditures (prior year actuals, current year adopted budget and current year actuals), and the number of authorized positions (in Full-Time Equivalents, or FTEs) for the current year. Explanations of major deviation in revenue collection or spending, compared to the prior year actual results or the current year budget, are provided.
- b) Operational Performance: Measures assigned to the program, with prior year actuals, current year target and current year actuals are provided. Explanations for each performance measure, whether or not the performance target has been achieved, are provided.

SUSTAINABLE OPPORTUNITIES

This report does not directly impact economic, environmental or social equity issues.

DISABILITY AND SENIOR CITIZEN ACCESS

This report does not directly impact disability or senior access.

RECOMMENDATION AND RATIONALE

This report contains Fiscal Year 2005-06 performance results for CEDA. Staff recommends that the City Council accept the report.

ACTION REQUESTED OF THE CITY COUNCIL


Staff requests that City Council accept the FY 2005-06 performance report.

APPROVED AND FORWARDED
TO THE COMMUNITY & ECONOMIC
DEVELOPMENT COMMITTEE:



OFFICE OF THE CITY ADMINISTRATOR

Respectfully submitted,



JIM SMITH, JR.
Budget Director

Prepared by:
Gilbert Garcia
Principal Financial Analyst
Budget Office

Attachment A: The FY 2005-06 Performance Measure Report for CEDA

Agency / Department: Community and Economic Development**Program Name: Broadway/MacArthur/San Pablo (SC05)**

Program Description: This program manages projects for the Oakland Redevelopment Agency's Broadway/MacArthur/San Pablo Redevelopment Project Area. This project area was adopted in July 2000 and consists of two district sub-areas. The Broadway/MacArthur sub-area incorporates Auto Row on Broadway and Telegraph Avenue between 27th and 42nd streets. The San Pablo sub-area incorporates the portion of San Pablo from 53rd to 67th streets. The purpose of this redevelopment area is to eliminate blight; and encourage in-fill development; and support key catalyst projects, including the MacArthur Transit Village. During FY 05-06, staff will manage a proposed amendment * to the project area boundary to include portions of North Oakland that are not currently within a redevelopment area.

Mayor / Council Goal: Develop a sustainable city.

Citywide Objective: Maximize socially and environmentally sustainable economic growth, including conserving natural resources.

Summary of Revenues, Expenditures and Positions:

Prior Year Actuals (FY 2004-05)		Current Year Adopted Budget (FY 2005-06)		Current Year Actuals (FY 2005-06)		Authorized FTE
Revenue	Expenditures	Revenue	Expenditures	Revenue	Expenditures	
0	282,411	0	209,232	0	277,035	1.43

Explanation of Revenue Collections and Spending

FY 2005-06 expenditures were higher than budgeted due to carryforward spending.

Program Related Performance Measures

Measure	FY 2003-04 Actuals	FY 2004-05 Actuals	FY 2005-06 Target	FY 2005-06 Actuals	Explanation of Performance
1) Number of commercial façade improvement grants implemented in project area	2	5	8	3	3 facade projects were closed out in FY 2005-06, and four more projects completed construction, but will be reimbursed and closed out in FY 2006-07. An additional 18 projects are in process.
2) Number of completed Environmental Impact Reports for the MacArthur Transit Village	0	0	0	0	This is a one-time activity scheduled for completion in FY 2006-07.

* The proposed amendment was presented at several community meetings but was withdrawn due to insufficient support.

Agency / Department: Community and Economic Development**Program Name: Business Creation, Attraction, Retention, and Expansion Services (B-CARES) (SC11)**

Program Description: This program provides services to multiple parties to stimulate business creation; attract businesses to Oakland; retain firms in Oakland; and/or assist in their expansion in Oakland. Services include site location assistance, permit assistance, marketing, financing referrals, employee tax credit assistance, business networking and other activities. These services benefit consumers, employees, business owners, investors, commercial brokers, property owners, and developers; and generate jobs and revenues for the City via expanded taxes: property, sales, business, and utility users.

Mayor / Council Goal: Develop a sustainable city.

Citywide Objective: Maximize socially and environmentally sustainable economic growth, including conserving natural resources.

Summary of Revenues, Expenditures and Positions:

Prior Year Actuals (FY 2004-05)		Current Year Adopted Budget (FY 2005-06)		Current Year Actuals (FY 2005-06)		Authorized FTE
Revenue	Expenditures	Revenue	Expenditures	Revenue	Expenditures	
0	2,013,692	0	1,307,242	313,442	1,339,760	7.20

Explanation of Revenue Collections and Spending

Actual expenditures were higher than budgeted due to carryforward spending.

Program Related Performance Measures

Measure	FY 2003-04 Actuals	FY 2004-05 Actuals	FY 2005-06 Target	FY 2005-06 Actuals	Explanation of Performance
1) Percentage of existing businesses assisted that chose to expand or continue operations in Oakland	99.00%	95.00%	95.00%	96.03%	Business Development and Oakland Commerce Corporation staff worked with 540 existing Oakland businesses in their efforts to expand and/or continue operating profitably; of these businesses, 7,072 jobs were at risk, and 6,592 jobs were retained, and 15 businesses left Oakland. The percentage of existing businesses assisted that chose to expand or continue operations in Oakland met the goal, because businesses already doing business in Oakland generally prefer to remain in the City if their issues can be resolved, have problems that staff can address, but are not seriously considering moving, or are doing well and, with some help from staff, are able to expand successfully. Staff tracks "successes" and "losses" and reports efforts that have a definitive business retention or expansion result.

	Measure	FY 2003-04 Actuals	FY 2004-05 Actuals	FY 2005-06 Target	FY 2005-06 Actuals	Explanation of Performance
2)	Percentage of active business leads that chose to locate in Oakland	20.00%	25.00%	15.00%	25.44%	Business Development staff worked with 50 businesses, 13 of which decided to expand into, relocate to, or start up in Oakland. The percentage of active business leads that chose to locate in Oakland exceeded the goal because there is interest among new-to-Oakland businesses in operating in Oakland, and staff are successful in providing services to facilitate their moves. Staff tracks "successes" and "losses" and reports efforts that have a definitive business startup or attraction result.
3)	Percentage of potential jobs at risk that were retained	99.00%	86.00%	70.00%	77.55%	The percentage of potential jobs at risk that were retained exceeded the goal, because very few of the client companies chose to leave Oakland. Staff collects information on number of jobs (at risk) from client companies as part of overall client intake processing.

Agency / Department: Community and Economic Development**Program Name: Commercial Lending (SC04)**

Program Description: This program provides tools and resources for Oakland's business owners and entrepreneurs. These resources promote business attraction, retention and expansion leading to the creation of jobs and economic development primarily in Oakland's low and moderate income communities. Programs contribute to Oakland's economic revitalization by expanding the City's tax base by focusing lending activity in the City's economic development target industries; placing low-moderate income Oakland residents into sustainable jobs created by loan recipients; leveraging private investment through participation loans; and abating blight through financing commercial and mixed-use developments. This program awards professional services contracts to Oakland's small business community and administers several City funded loan programs, lending outreach, servicing of the City's loan portfolio and recruitment for job placement.

Mayor / Council Goal: Develop a sustainable city.

Citywide Objective: Maximize socially and environmentally sustainable economic growth, including conserving natural resources.

Summary of Revenues, Expenditures and Positions:

Prior Year Actuals (FY 2004-05)		Current Year Adopted Budget (FY 2005-06)		Current Year Actuals (FY 2005-06)		Authorized FTE
Revenue	Expenditures	Revenue	Expenditures	Revenue	Expenditures	
3,511,833	3,231,500	1,221,750	1,914,324	1,745,965	2,494,384	2.00

Explanation of Revenue Collections and Spending

The FY 2005-06 adjusted expenditure budget was \$18.7 million which includes carryforward funds primarily for the City's Enhanced Enterprise Community and federal loan repayments activities.

Program Related Performance Measures

Measure	FY 2003-04 Actuals	FY 2004-05 Actuals	FY 2005-06 Target	FY 2005-06 Actuals	Explanation of Performance
1) Number of loans approved annually	23	25	25	11	This number did not meet the Performance Measure target due to the reduction of loan funds available to lend. New loan funds have been created for FY 2006-07 to increase the availability of commercial loans funds.
2) Total dollar volume of all loans approved per year	765,764	1,354,179	1,250,000	634,500	This number reflects a reduction in the amount of funds available to lend.

Measure		FY 2003-04 Actuals	FY 2004-05 Actuals	FY 2005-06 Target	FY 2005-06 Actuals	Explanation of Performance
3)	Total project investment dollars leveraged by City loans per year	3,163,954	2,349,753	2,500,000	567,801	This measure reports the funds that have been leveraged from private and public sources as a result of the City's and its subcontractor's (OBDC) financial commitments to a project. In comparison to the total volume of all loans, the \$567,801 leveraged was 90% of the total investment dollars approved (\$634,500).
4)	Number of annual jobs to be created / retained as a result of lending activity	35	21	36	18	This measure determines the number of jobs to be created as a result of the various commercial loan programs operated by the City's contractor (OBDC). According to the U.S. Department of Housing and Urban Development regulations, one full-time equivalent job shall be created for every \$35,000 loaned to the project, and the company has two years from the first disbursement of funds to create and meet the job creation goal. The 18 annual jobs created in FY 05-06 was 50% under projected target due to a similar 50% reduction in loan funds available / approved during the year. (Refer to Measurement Number 2)

Agency / Department: Community and Economic Development**Program Name: Community Development Block Grants (YS11)**

Program Description: This program is responsible for the distribution and management of the City of Oakland's Community Development Block Grant (CDBG). Each year the U.S. Department of Housing and Urban Development distributes CDBG funds to cities for their local community development projects. The City of Oakland utilizes CDBG to rebuild and revitalize depressed areas and sustain neighborhoods with full access to life-enhancing services. CDBG provides funding for housing, economic development and a variety of neighborhood improvement/public service projects for low and moderate income residents in the seven Community Development areas. The City of Oakland receives a little over ten million dollars in CDBG funds, which allows for about 50 contracts with non-profits and/or other city departments for the provision of services. To determine the distribution of the CDBG funds, the City has an extensive community process, which includes seven Community Development District Boards and a citywide Citizen Advisory Committee. The program staffs and provides technical assistance to both bodies. In addition, The CDBG program develops, administers and monitors contracts that are funded by CDBG.

Mayor / Council Goal: Develop a sustainable city.

Citywide Objective: Maximize socially and environmentally sustainable economic growth, including conserving natural resources.

Summary of Revenues, Expenditures and Positions:

Prior Year Actuals (FY 2004-05)		Current Year Adopted Budget (FY 2005-06)		Current Year Actuals (FY 2005-06)		Authorized FTE
Revenue	Expenditures	Revenue	Expenditures	Revenue	Expenditures	
6,808,744	3,598,668	9,342,203	4,018,656	8,401,255	3,885,410	5.05

Explanation of Revenue Collections and Spending

The budgeted revenues for FY 2005-06 was \$9,342,203 compared to actual revenues of \$8,401,255. The actual CDBG grant from HUD was reduced by 10 percent in FY 2005-06.

The budgeted expenditures for FY 2005-06 were \$4,018,656 compared to actual expenditures of \$3,885,410. Included were CDBG expenditures associated with the public service programs, housing, economic development and administration.

Program Related Performance Measures

Measure	FY 2003-04 Actuals	FY 2004-05 Actuals	FY 2005-06 Target	FY 2005-06 Actuals	Explanation of Performance
1) Percentage of contracts developed and executed within 30 days of receipt of documents	77.00%	83.00%	90.00%	91.66%	The CDBG Program was successful in developing and executing 91.66% of the contracts within 30 days of receipt of documents. The Equal Benefits program requirement was also met because of the timely execution of the contracts.

	Measure	FY 2003-04 Actuals	FY 2004-05 Actuals	FY 2005-06 Target	FY 2005-06 Actuals	Explanation of Performance
2)	Percentage of program recipients reporting service as satisfactory or better	81.00%	87.00%	90.00%	93.00%	The survey, developed by our evaluation contractor, was prepared for the CDBG funded contractors to use on their clients. In FY 2005-06, the contractors became more accustomed with conducting the surveys on the clients being served. The clients were therefore more comfortable with answering the questions on the survey, which was demonstrated by the high percentage of satisfactory ratings from program recipients.

Agency / Department: Community and Economic Development**Program Name: Development Permit Inspections (PS31)**

Program Description: This program assures conformance with the California Building, Electrical, Plumbing, and Mechanical codes and the Oakland Municipal Code regulating the construction of residential and non-residential buildings and structures; geo-technical remediation; and land use conditions.

Mayor / Council Goal: Develop a sustainable city.

Citywide Objective: Maximize socially and environmentally sustainable economic growth, including conserving natural resources.

Summary of Revenues, Expenditures and Positions:

Prior Year Actuals (FY 2004-05)		Current Year Adopted Budget (FY 2005-06)		Current Year Actuals (FY 2005-06)		Authorized FTE
Revenue	Expenditures	Revenue	Expenditures	Revenue	Expenditures	
7,755,184	4,850,944	7,925,433	5,665,137	10,097,464	5,614,853	45.42

Explanation of Revenue Collections and Spending

Actual revenue for FY 2005-06 exceeded the budgeted projection by 27% due to continuing strong development activity for major projects despite anticipated rising residential mortgage rates.

Actual expenditures for FY 2005-06 were slightly less than the budgeted projection due to salary savings from continuing staff vacancies for retirements and long-term illnesses.

Program Related Performance Measures

Measure	FY 2003-04 Actuals	FY 2004-05 Actuals	FY 2005-06 Target	FY 2005-06 Actuals	Explanation of Performance
1) Percentage of customers rating the City inspection fair or better	80.00%	82.50%	80.00%	81.70%	Inspection staffing resources for FY 2005-06 continued to be assigned to construction permits to meet "Next day" goal (85% of scheduled requests).
2) Number of annual customer calls per staff member	4,750	6,430	4,750	8,790	Telephone activity for FY 2005-06 increased 36% due to a 42% increase in Code Enforcement complaints and a 22% increase in permit inspection requests received by assigned staff through the Permit Tracking System.

Agency / Department: Community and Economic Development**Program Name: Development Permit Processing and Engineering Approval (PS30)**

Program Description: This program assists builders, property owners, architects, engineers, and realtors in understanding and processing appropriate construction permits related to buildings and infrastructure. In addition, this program reviews construction drawings for conformance with applicable state health and safety codes, regional environmental regulations, and city development and land subdivision ordinances.

Mayor / Council Goal: Develop a sustainable city.

Citywide Objective: Maximize socially and environmentally sustainable economic growth, including conserving natural resources.

Summary of Revenues, Expenditures and Positions:

Prior Year Actuals (FY 2004-05)		Current Year Adopted Budget (FY 2005-06)		Current Year Actuals (FY 2005-06)		Authorized FTE
Revenue	Expenditures	Revenue	Expenditures	Revenue	Expenditures	
11,387,180	5,809,808	13,170,627	5,853,393	15,418,099	6,445,454	41.50

Explanation of Revenue Collections and Spending

Actual revenue for FY 2005-2006 exceeded the budgeted projection by 17% due to a continuing strong development activity for major projects despite anticipated rising residential mortgage rates.

Actual spending for FY 2005-06 exceeded the budgeted projection by 10% due to increased requests from developers for staff overtime (fully reimbursable) to process permit applications.

Program Related Performance Measures

Measure	FY 2003-04 Actuals	FY 2004-05 Actuals	FY 2005-06 Target	FY 2005-06 Actuals	Explanation of Performance
1) Percentage of customers rating the service as meeting expectations	81.00%	78.70%	80.00%	71.40%	Customer rating for FY 2005-06 was 8.6 percent lower than the 80 percent target because of an increase in the non-overtime processing time for permit applications and records requests.
2) Percentage of customers rating service good or better	86.00%	86.10%	85.00%	87.10%	Customer rating for FY 2005-06 increased by 2.5 percent over target due to an enhanced staff training for processing permit applications and records requests.
3) Percentage of customers served within 15 minutes	47.00%	56.50%	60.00%	45.40%	Customer wait -time for FY 2005-06 increased by 20% due the shift in volume of applications and records requests received from minor permits to major projects.

Measure		FY 2003-04 Actuals	FY 2004-05 Actuals	FY 2005-06 Target	FY 2005-06 Actuals	Explanation of Performance
4)	Number of customers served annually	59,782	57,920	60,000	56,818	Customers served during FY 2005-06 decreased from the previous year due to a reduction in the volume of applications for minor development permits received.
5)	Average completion time (days) of major addition and alteration permits	10	12	15	14	Average completion time for FY 2005-06 increased by 17 percent when compared to FY 2004-05 actuals. The 14-day average processing time was one day faster than the projected 15-day target despite an overall increase in processing activity for addition and alteration permits.
6)	Average completion time (days) for grading permits	29	29	30	29	Average completion time for FY 2005-06 was 29 days - one day faster than the projected target.
7)	Average completion time (days) for single family dwelling plan checks	12	11	10	11	Average completion time for FY 2005-06 was one day over target due to an increase in overall processing activity for single family plan checks.
8)	Average completion time (days) for additions / alterations to single family dwellings permits	16	16	17	18	Average completion time for FY 2005-06 took one day longer than the target due to an increase in overall processing activity for single family dwelling permits.

Agency / Department: Community and Economic Development**Program Name: Development Review/Zoning (SC10)**

Program Description: This program provides information on zoning regulations and reviews proposed development applications for approximately 20,000 people seeking information or application sign-offs at the Zoning counter. Approximately 1200 development applications are processed each year. Development applications have doubled over the past five years and fall into three main categories: 1) major cases, which are reviewed by the Planning Commission--10%; 2) administrative cases decided by the Zoning Administrator after public notice and comments--40%; and 3) residential design review cases decided by staff--50%.

Mayor / Council Goal: Build community and foster livable neighborhoods.

Citywide Objective: Facilitate the development of housing for all incomes.

Summary of Revenues, Expenditures and Positions:

Prior Year Actuals (FY 2004-05)		Current Year Adopted Budget (FY 2005-06)		Current Year Actuals (FY 2005-06)		Authorized FTE
Revenue	Expenditures	Revenue	Expenditures	Revenue	Expenditures	
2,327,922	2,220,499	2,254,297	2,892,438	3,484,449	2,841,325	25.00

Explanation of Revenue Collections and Spending

Actual revenue for FY 2005- 2006 exceeded the budgeted projection due to an increase in permit activity. Another contributor to the revenue increase is the hiring of additional staff to handle the large volume of work.

Actual expenditures for FY 2005-06 were within the budget.

Program Related Performance Measures

Measure	FY 2003-04 Actuals	FY 2004-05 Actuals	FY 2005-06 Target	FY 2005-06 Actuals	Explanation of Performance
1) Average zoning telephone wait time (minutes)	15	10	5	N/A	With the inception of the new ShoreTel 560 telephone system, Department staff no longer have the capability to track this performance measure. The Permit Tracking System also does not possess the capability to track the average telephone wait time.
2) Percentage of counter visitors rating service satisfactory or better	70.00%	82.00%	80.00%	78.00%	Based on completed customer service surveys.

Measure		FY 2003-04 Actuals	FY 2004-05 Actuals	FY 2005-06 Target	FY 2005-06 Actuals	Explanation of Performance
3)	Percentage of Administrative cases processed within 60 calendar days after complete	38.00%	42.00%	80.00%	50.00%	Performance has improved slightly over the FY 2004-05 results due to an increase in staffing level. Further improvement is expected in the current year with the anticipated addition of additional staff in late 2006.
4)	Percentage of Special Residential Design Review processed within 21 calendar days after complete	16.00%	20.00%	80.00%	55.00%	Beginning July 11, 2005, Planning & Zoning staff initiated an "over-the-counter" design review process for relatively minor additions. This process has significantly improved the number of cases processed within 21 days after completion. In addition, the recent hiring of additional staff has improved overall performance over the previous fiscal year. The 80% target for FY 05-06 is unrealistic for this process.

Agency / Department: Community and Economic Development**Program Name: Downtown Development (SC13)**

Program Description: This program develops activities that focus on eliminating physical and economic blight conditions; reusing vacant and/or underutilized sites; investing in strategic public infrastructure projects, such as public parking garages to complement existing or stimulate new development projects. One of the major programs in support of these general goals is the 10K Housing Initiative, which aims to attract ten thousand new residents to downtown by working with private developers to build the necessary housing for these new urban dwellers. Additionally, street, building facade and tenant improvements are funded and implemented to reduce physical blight and to assist commercial tenants. Central District redevelopment serves residents, associations, businesses, property owners, and institutions such as BART and the Port of Oakland. Funding from the Central District Project Redevelopment Area also supports facilities such as Agency-owned parking garages, the Oakland Ice Rink, the Oakland Asian Cultural Center, and the renovation of the Fox Theater.

Mayor / Council Goal: Develop a sustainable city.

Citywide Objective: Maximize socially and environmentally sustainable economic growth, including conserving natural resources.

Summary of Revenues, Expenditures and Positions:

Prior Year Actuals (FY 2004-05)		Current Year Adopted Budget (FY 2005-06)		Current Year Actuals (FY 2005-06)		Authorized FTE
Revenue	Expenditures	Revenue	Expenditures	Revenue	Expenditures	
0	1,987,660	0	1,871,583	0	2,088,844	12.70

Explanation of Revenue Collections and Spending

FY 2005-06 expenditures were higher than budgeted due to carryforward spending. There were no budgeted / realized revenues.

Program Related Performance Measures

Measure	FY 2003-04 Actuals	FY 2004-05 Actuals	FY 2005-06 Target	FY 2005-06 Actuals	Explanation of Performance
1) Number of new downtown residents toward the 10K goal	267	292	1,667	367	367 new residents: Construction starts were slow in 2003 and 2004 – until the Essex and Franklin 88 projects showed strong sales. Many projects have started construction since then, but will be completed in FY 2006-07 or 2007-08. To date, 19 projects with 1,879 units have been completed, 19 projects with 2,291 units are under construction, 20 additional projects with 2,529 units have planning approval and 26 projects with 3,389 units are in the planning process. With 10,088 units completed or underway, the City has exceeded the 10K goal by 68%.

	Measure	FY 2003-04 Actuals	FY 2004-05 Actuals	FY 2005-06 Target	FY 2005-06 Actuals	Explanation of Performance
2)	Number of façade improvements completed	30	18	32	39	39 Façade Projects were completed. These projects represent \$660,000 in grant money and the grant money leveraged \$2,278,600 in total exterior improvements.

Agency / Department: Community and Economic Development**Program Name: Home Ownership and Rehabilitation (NB32)**

Program Description: Provides financial assistance for secured, deferred, and/or interest-bearing loans to enable very-low to low-income persons to purchase homes in Oakland. Counsels and educates Oakland residents about home purchasing. Works with lenders to expand opportunities for all homebuyers and to thwart predatory lending. Manages a portfolio of 2,200 loans, totaling \$42 million, monitors, and provides services for rehabilitation home maintenance loans up to \$40,000 including construction project management for health and safety repairs and correction of code violations for very-low to low-income persons. Priority is given to seniors and/or persons with disabilities.

Mayor / Council Goal: Build community and foster livable neighborhoods.

Citywide Objective: Facilitate the development of housing for all incomes.

Summary of Revenues, Expenditures and Positions:

Prior Year Actuals (FY 2004-05)		Current Year Adopted Budget (FY 2005-06)		Current Year Actuals (FY 2005-06)		Authorized FTE
Revenue	Expenditures	Revenue	Expenditures	Revenue	Expenditures	
12,321,808	9,163,276	4,725,659	8,293,940	8,319,218	8,441,106	20.95

Explanation of Revenue Collections and Spending

The reason for the increase in revenues above the budgeted amount was due to the continued increase in market value of homes in Oakland, enabling homeowners to payoff City loans when properties were sold or refinanced. The increased revenues were appropriated to the homeownership and rehabilitation programs and the housing development program, which means that funds will be available to continue these programs in subsequent years.

Program Related Performance Measures

Measure	FY 2003-04 Actuals	FY 2004-05 Actuals	FY 2005-06 Target	FY 2005-06 Actuals	Explanation of Performance
1) Percentage of completed home purchase transactions of total homeownership assistance loan applications received	90.00%	89.00%	90.00%	97.56%	41 loans were approved last fiscal year, 40 were closed.
2) Percentage of completed home rehabilitation projects of total home maintenance loan applications approved	44.00%	107.20%	65.00%	64.00%	The Home Maintenance Improvement Program (HMIP) received 56 applications for loans, approved 36 applications for 39 units and completed 23 construction projects. There are an additional 25 projects underway.
3) Percentage of rehab loan and grant recipients rating process and service above average	93.00%	91.18%	80.00%	88.00%	Client satisfaction survey reflect owners rating program services good or better for 88% of the surveys returned.

Agency / Department: Community and Economic Development**Program Name: Housing Development (SC14)**

Program Description: This program encompasses both development and policy. It provides financing for development of rental and homeownership units affordable to low & moderate income households through a number of programs including predevelopment loans, site acquisition loans, acquisition/rehabilitation loans, and low-moderate housing development loans. Staff provides monitoring oversight of all locally-funded rental housing developments for compliance with loan agreements. Additionally staff administers third party contracts for fair housing and other housing-related services. Staff also develops and implements housing policy and is responsible for the ongoing management of several federal and local housing programs including the HOME program. On-going goals include the development and preservation of housing affordable to low-moderate income households; promotion of neighborhood revitalization through residential development; administration of third-party contracts for fair housing and other housing-related services; and development of plans and policies for expansion of programs that serve low-moderate income households including seniors and persons with disabilities.

Mayor / Council Goal: Build community and foster livable neighborhoods.

Citywide Objective: Facilitate the development of housing for all incomes.

Summary of Revenues, Expenditures and Positions:

Prior Year Actuals (FY 2004-05)		Current Year Adopted Budget (FY 2005-06)		Current Year Actuals (FY 2005-06)		Authorized FTE
Revenue	Expenditures	Revenue	Expenditures	Revenue	Expenditures	
2,944,246	6,465,252	5,013,737	6,427,917	498,064	4,009,455	14.25

Explanation of Revenue Collections and Spending

Actual revenues were less than the budgeted amount due to program income from loan repayments being credited to the homeownership and rehabilitation program (NB32) and then reallocated by Council to the Housing Development Program.

Program Related Performance Measures

Measure	FY 2003-04 Actuals	FY 2004-05 Actuals	FY 2005-06 Target	FY 2005-06 Actuals	Explanation of Performance
1) Number of housing units made available within two years of receiving funds	315	277	300	144	Extraordinary increases in construction costs due to Katrina, etc. required developers to seek additional funds before proceeding. In addition, because of increases in labor, material and insurance costs, projects funded through the City's NOFA process were delayed while developers applied for additional funds through a variety of State, Federal, and local programs to insure economic viability before commencing with construction. This resulted in a 12 to 18 month delay for a number of projects that were expected to be completed by June 30, 2006.

Agency / Department: Community and Economic Development**Program Name: Livable Neighborhood Code Enforcement Services (NB31)**

Program Description: This program enforces the California Housing Code and the Oakland Municipal Code regulating the maintenance of buildings used for human occupancy and the surrounding property; land use activities on private property; and the vending of food and the use of public telephones in the public right-of-way. Staff performs 35,000 complaint and abatement inspections annually.

Mayor / Council Goal: Build community and foster livable neighborhoods.

Citywide Objective: Reduce blight and nuisance.

Summary of Revenues, Expenditures and Positions:

Prior Year Actuals (FY 2004-05)		Current Year Adopted Budget (FY 2005-06)		Current Year Actuals (FY 2005-06)		Authorized FTE
Revenue	Expenditures	Revenue	Expenditures	Revenue	Expenditures	
1,852,275	2,318,636	3,594,957	4,791,754	1,085,756	3,349,195	28.00

Explanation of Revenue Collections and Spending

Actual revenue for FY 2005-06 was 73% less than the budgeted projection due to staff inspection vacancies from continuing retirements and long-term illnesses, and to assignment of approximately three to four revenue-producing incumbent inspection staff to construction permits to meet "next day" response goal (85% of permit scheduling requests).

Actual expenditures for FY 2005-06 were 29% less than the budgeted projection due to the salary savings from staffing vacancies for continuing retirements and long-term illnesses and a resulting reduction in third-party contracts for blight abatement.

Program Related Performance Measures

Measure	FY 2003-04 Actuals	FY 2004-05 Actuals	FY 2005-06 Target	FY 2005-06 Actuals	Explanation of Performance
1) Percentage of residential cases resolved	72.00%	68.80%	70.00%	62.80%	The projected target figure was not met because of diminished staffing resources for abatement activities due to assignment of incumbent inspectors to construction permits and to continuing vacancies from retirements and long-term illnesses and an increase in the total number of complaints filed.

Measure		FY 2003-04 Actuals	FY 2004-05 Actuals	FY 2005-06 Target	FY 2005-06 Actuals	Explanation of Performance
2)	Percentage of commercial cases resolved	43.00%	48.30%	65.00%	53.40%	The actual percentage figure was significantly lower than the projected figure due to diminished staffing resources for abatement activities due to assignment of incumbent inspectors to construction permits and to continuing vacancies from retirements and long-term illnesses and an increase in the total number of complaint cases filed.
3)	Average number of days to resolve a case	25	29	30	31.70	The projected target was not met (1.70 days longer) because of a reduction in staffing resources for abatement activities where incumbent inspectors were assigned to construction permits and to continuing vacancies from retirements and long-term illnesses.
4)	Average number of days to perform initial inspection	5	6	5	6.10	The projected target was not met (1.10 days longer) because of a reduction in staffing resources where incumbent inspectors were assigned to construction permits and continuing retirements and long term illnesses took place.

Agency / Department: Community and Economic Development**Program Name: Neighborhood Commercial Revitalization (NB30)**

Program Description: This program improves the physical appearance and economic condition of targeted neighborhood commercial districts throughout Oakland. This is accomplished through utilizing the National Trust for Historic Preservation Main Street approach to commercial district revitalization including analyzing economic data; organizing and assisting merchant associations; engaging property owners to pursue development concepts; implementing the Commercial Property Façade Improvement Program; developing urban design plans for streetscape improvements; and coordinating the delivery of city services. The NCR Program serves more than 15 neighborhood commercial districts in which more than 3,000 small businesses operate.

Mayor / Council Goal: Develop a sustainable city.

Citywide Objective: Maximize socially and environmentally sustainable economic growth, including conserving natural resources.

Summary of Revenues, Expenditures and Positions:

Prior Year Actuals (FY 2004-05)		Current Year Adopted Budget (FY 2005-06)		Current Year Actuals (FY 2005-06)		Authorized FTE
Revenue	Expenditures	Revenue	Expenditures	Revenue	Expenditures	
75,000	1,972,166	0	1,907,468	0	2,153,927	6.15

Explanation of Revenue Collections and Spending

Actual expenditures were higher than budgeted due to carryforward spending.

Program Related Performance Measures

Measure	FY 2003-04 Actuals	FY 2004-05 Actuals	FY 2005-06 Target	FY 2005-06 Actuals	Explanation of Performance
1) Percentage of merchants / businesses / property owners rating services satisfactory or better	100.00%	100.00%	98.00%	100.00%	27 customer surveys were sent out. All 25 surveys returned rated the NCR services satisfactory or better.

Agency / Department: Community and Economic Development**Program Name: Real Estate (PS32)**

Program Description: This program is responsible for acquisition, disposal, property management, valuation, commercial relocation, and leasing for all City of Oakland and Redevelopment Agency property. It provides real estate consultation services; conducts real estate appraisals; and acquires, manages, and disposes of City and Agency property. In addition, this program negotiates and monitors lease agreements with renters of City/Agency-owned property, leases property on behalf of the City/Agency, facilitates the assemblage of parcels for City/Agency projects, and advises the City Council and Agency on real estate aspects of major development projects.

Mayor / Council Goal: Build community and foster livable neighborhoods.

Citywide Objective: Provide for clean, well-maintained and accessible streets and sidewalks, facilities, amenities, parks, recreational facilities and trees.

Summary of Revenues, Expenditures and Positions:

Prior Year Actuals (FY 2004-05)		Current Year Adopted Budget (FY 2005-06)		Current Year Actuals (FY 2005-06)		Authorized FTE
Revenue	Expenditures	Revenue	Expenditures	Revenue	Expenditures	
1,405,603	2,549,339	3,816,710	2,729,375	4,382,163	2,099,303	8.00

Explanation of Revenue Collections and Spending

FY 2005-06 revenue budget and actual receipts included a one-time sale of \$2.8 million in surplus City property and reimbursement of \$111,000 to the City's Litigation Fund. Expenditures were lower than budgeted; staff costs budgeted in Measure DD Fund 5320 were shifted to other funding sources as reflected in the FY 2005-07 mid-cycle budget.

Program Related Performance Measures

Measure	FY 2003-04 Actuals	FY 2004-05 Actuals	FY 2005-06 Target	FY 2005-06 Actuals	Explanation of Performance
1) Percentage of clients satisfied with the negotiated lease	100.00%	100.00%	95.00%	100.00%	The Real Estate program completed 33 lease renewals/negotiations. All leases were approved by the department at close of negotiations. Client satisfaction is measured by whether their contracts were successfully negotiated and completed. In FY 2005-06, all 33 leases that needed renewal were completed to the satisfaction of our clients.
2) Value of actual rent collected annually	652,000	1,134,081	652,000	1,482,451	Actual rent collected was much higher than budgeted due to an increase in the number of new leases and existing leases were renewed with the appropriate annual rent increase.

Agency / Department: Community and Economic Development**Program Name: Residential Rent Adjustment (SC15)**

Program Description: This program helps provide decent, safe, affordable and sanitary residential rental housing in the City of Oakland. It mitigates rent increases and promotes housing and neighborhood stability while encouraging new construction and rehabilitation of rental properties.

Mayor / Council Goal: Develop a sustainable city.

Citywide Objective: Encourage and support social equity for all Oakland residents.

Summary of Revenues, Expenditures and Positions:

Prior Year Actuals (FY 2004-05)		Current Year Adopted Budget (FY 2005-06)		Current Year Actuals (FY 2005-06)		Authorized FTE
Revenue	Expenditures	Revenue	Expenditures	Revenue	Expenditures	
1,776,536	1,024,549	1,542,529	1,163,048	1,746,540	1,075,313	10.00

Explanation of Revenue Collections and Spending

Actual revenues exceeded the budgeted amount due to increased compliance in fee payments.

Program Related Performance Measures

Measure	FY 2003-04 Actuals	FY 2004-05 Actuals	FY 2005-06 Target	FY 2005-06 Actuals	Explanation of Performance
1) Average time from filing petition to staff decision, not including cases with delays not caused by program - in days	93	67	88	61	The average number of days was lower than target due to decreased caseload and increased efficiency.
2) Average time from filing appeal of staff decision to hearing decision, not including cases with delays not caused by program - in days	228	356	200	159	The average number of days was lower than target due to increased efficiency generated by consolidating large cases.

Agency / Department: Community and Economic Development**Program Name: Workforce Development (SC03)**

Program Description: This program promotes economic development through the direction of staffing, worker training and hiring tax credit services for hundreds of businesses. As staff to the 35-member Oakland Workforce Investment Board (WIB), the WFD Unit creates employment and career advancement opportunities for more than 9,000 job seekers and workers annually through the direction of Oakland's One Stop Career Centers and youth service providers. The WFD Unit also promotes continuous improvement of all city-funded employment and training programs through the management of the Job Training Performance Standards system.

Mayor / Council Goal: Develop a sustainable city.

Citywide Objective: Encourage and support social equity for Oakland residents.

Summary of Revenues, Expenditures and Positions:

Prior Year Actuals (FY 2004-05)		Current Year Adopted Budget (FY 2005-06)		Current Year Actuals (FY 2005-06)		Authorized FTE
Revenue	Expenditures	Revenue	Expenditures	Revenue	Expenditures	
4,693,512	6,612,854	6,909,329	6,881,154	5,781,985	7,403,340	6.08

Explanation of Revenue Collections and Spending

Actual expenditures were higher than budgeted due to carry-forward spending.

Actual revenues were lower than budgeted due to a delay in the booking of year-end payments, which were deposited in July 2006.

Program Related Performance Measures

Measure	FY 2003-04 Actuals	FY 2004-05 Actuals	FY 2005-06 Target	FY 2005-06 Actuals	Explanation of Performance
1) Number of Enterprise Zone tax credit vouchers processed	10,045	6,441	12,500	2,658	The Division processed 2,658 tax credit vouchers in FY 05-06. The 12,500 target proved unrealistic, as many firms had already claimed their maximum allowable tax credits, creating a significantly smaller market for vouchering efforts going forward.
2) Employment rate for adults and dislocated workers	94.00%	75.49%	65.00%	77.21%	The goal was exceeded due to strong adult job placement success by providers, especially smaller "Affiliate" venues serving targeted geographic constituencies.
3) Employment rate for older youth	63.00%	55.56%	55.00%	58.95%	Youth providers performed well while serving a client base that faces substantial barriers to success.

Measure		FY 2003-04 Actuals	FY 2004-05 Actuals	FY 2005-06 Target	FY 2005-06 Actuals	Explanation of Performance
4)	Number of direct placements with business clients	133	52	150	N/A	Oakland WIB changed approaches to Business Services and discarded this measure during FY 05-06.