

**C I T Y O F O A K L A N D**  
OFFICE OF THE CITY CLERK  
OAKLAND  
**AGENDA REPORT**  
2011 OCT -6 PM 4:22

TO: Council President Reid and Members of the City Council  
ATTN: Deanna J. Santana  
FROM: Honorable Jean Quan  
DATE: October 18, 2011

RE: Report and Action on a Resolution to Allocate the Proceeds of the Parcel Tax and Amend the City Budget of FY 2011-13 Contingent Upon the Passage of Measure I In the Special Election of November 2011

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On November 15, 2011, Measure I will go before the Oakland voters. If the measure is approved, a five-year parcel tax will be levied in order to generate \$11 million annually to provide funding for restoring certain city services, including fire, police services and technology, youth violence prevention, library services, parks and recreation, and street repair.

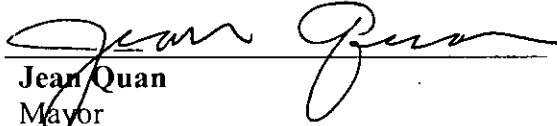
In June 2011, the City adopted its biennial Policy Budget for FY 2011-13. The Adopted Budget closed a \$58 million projected deficit in FY 2011-12 and a \$76 million shortfall in FY 2012-13. Balancing measures included a combination of employee concessions by all labor unions, including unpaid days off and additional pension contributions; major service reductions and staff eliminations; and departmental eliminations and reorganizations. In addition to balancing the projected shortfalls in the next two years, the City was able to stabilize its reserve level to the Council-mandated 7.5% and has continued to decrease the negative fund balances. While these actions are fiscally prudent, they are not without great sacrifice by both our City employees and our residents, all of whom are feeling the impacts of major service reductions.

In addition, despite having closed the projected deficits and starting to stabilize the City's finances, continued uncertainties surround the City's fiscal condition – namely, unknowns on the outcome of the Oakland Redevelopment Agency's funding and pending State Supreme Court ruling, the potential impacts of the State and Federal budgets on the City, as well as other economic volatility – and many vital City services and programs are still at risk of being eliminated. In light of the drastic service reductions already implemented and potential additional cuts that may be necessary, the City Council determined that it is in the best interests of the City of Oakland to submit to the voters at the November 15, 2011 special election, Measure I, which imposes a temporary 5-year parcel tax for the purpose of restoring vital City services. The Administration has developed a budget proposal for the potential distribution of the proceeds of this tax, as outlined in the attached Resolution.

Item:  
City Council  
October 18, 2011

I respectfully request the City Council adopt the proposed Resolution designating the use of the proceeds of Measure I.

Respectfully submitted,

  
Jean Quan  
Mayor

FILED  
OFFICE OF THE CITY CLERK  
OAKLAND

2011 OCT -6 PM 4:22

**OAKLAND CITY COUNCIL**

Approved as to Form and Legality

**DRAFT**  
City Attorney

RESOLUTION NO. \_\_\_\_\_ C.M.S.

**ADOPT A RESOLUTION AUTHORIZING AMENDMENTS TO THE CITY'S BIENNIAL POLICY BUDGET FOR FISCAL YEAR 2011-13 BY ACCOUNTING FOR CHANGES IN REVENUES UPON THE PASSAGE OF A SPECIAL TAX MEASURE**

**WHEREAS**, on June 30, 2011, in accordance with City Charter section 800, the City Council adopted the biennial policy budget by passing Resolution No. 83444 C.M.S.; and

**WHEREAS**, on June 30, 2011, the City Council approved balancing measures of \$58 million FY 2011-12 and \$76 million for FY 2012-13, which included large cuts to essential services, elimination of positions, and reduced employee compensation; and

**WHEREAS**, due to continued economic weakness in the City of Oakland due to impacts from the global, national, state, and regional recession, as well as state and federal budget takeaways, many vital City services and programs are still at risk of being eliminated; and

**WHEREAS**, the City Council determined by passing Resolution No. 83503 C.M.S. that it is in the best interests of the City of Oakland to submit to the voters at the November 15, 2011 special election, Measure I, which imposes a temporary 5-year parcel tax for the purpose of restoring vital City services including public safety, youth violence prevention, library services, parks and recreation services, and street repair; and

**WHEREAS**, the Administration has developed a budget framework for the use of the proceeds of this tax, as reflected in Exhibit A; now therefore be it

**RESOLVED:** That should Measure I be approved by the voters, the City's Fiscal Year 2011-13 Adopted Budget is hereby amended to incorporate the budget framework reflected in Exhibit A included with and made a part of this resolution, subject to additional amendments that may be presented and adopted on the floor by the City Council; and be it

**FURTHER RESOLVED:** That the City Council directs the City Administrator to implement the aforementioned with all deliberate speed upon certification of the November 15, 2011 special election results.

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_, 2011

**PASSED BY THE FOLLOWING VOTE:**

**AYES -** BROOKS, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL, REID, SCHAFF, and PRESIDENT REID

**NOES -**

**ABSENT -**

ABSTENTION –

ATTEST: \_\_\_\_\_  
LaTonda Simmons  
City Clerk and Clerk of the Council  
of the City of Oakland, California

	Annual amount (to be prorated in Year.1)	% of Total	EXAMPLES OF PROJECTS/PROGRAMS
POLICE SERVICES & POLICE TECHNOLOGY	\$ 4,600,000	42%	To provide funding for an additional police academy & additional officers that would graduate from that academy, including "grow our own" youth internship and career exploration opportunities; critical public safety technology services and capital equipment investments such as Data Center Power Generator/UPS Upgrades, Replacement Batteries, and Maintenance Services; Shotspotter services.
FIRE SERVICES	\$ 600,000	5%	Disaster preparedness and youth programs. funding for CORE outreach and youth programs to include summer internship, Explorers (youth mentoring program & career exploration), Youth education on how to dial 9-1-1, plan an escape route at home. firefighters visit classrooms and provide safety tips. Portal Health Clinic in fire station in medically underserved area.
PARKS MAINTENANCE & RECREATIONAL SERVICES	\$ 2,000,000	18%	9 Gardener Crew Leaders, 2 Irrigation Repair Specialists, Job Training and Re-Entry Crew; The Gardener Crew Leaders could be assigned to major parks (and nearby parks and medians) to enhance park maintenance service levels. Having an assigned gardener will result in higher service levels by setting routine maintenance schedules and standards; providing field supervision and leadership for part-time employees and volunteers. This enhancement could provide staffing for the Lake Merritt OD projects and the improved Rose Garden; The Irrigation Repair Specialists could handle the growing workload of aging and failing irrigation systems. Prompt irrigation repairs are required to keep parks green and properly irrigated; This could fund a "Measure Y" type crew to work in the medians, parks, and other landscaped areas. The crew format could support about 30 individuals who would rotate through the training and job placement program; These individuals would rotate in groups of approximately eight for each three month training period; TREE SERVICES: Add Tree Trimming Crew (Tree Supervisor and 3 Tree Trimmers); An additional tree trimming crew could enhance public safety by pruning tree branches to improve street light effectiveness and reduce branch failures. The crew could also prune trees that are blocking regulatory signs; and trees that are young or newly planted to minimize future tree maintenance.
LIBRARY SERVICES, INCLUDING TECHNOLOGY	\$ 600,000	5%	Second Start Literacy Program enhancement; LIBRARY TECHNOLOGY REFRESH: 400 PCs for public; Replacement Wi-Fi system at branches, Public Software (Office 2010, Windows 7, Deep Freeze), Misc. Hardware (monitors, keyboards, mice, printers, etc), and Firewall maintenance and replacement servers.
YOUTH VIOLENCE PREVENTION	\$ 1,250,000	11%	Expand an anti-gang initiative that keeps parks open in the summer after dark during the peak hours for gang activity with youth led expanded programming. Mentorship and job training for adjudicated youth. Code 33, a program to improve relationships between youth and police officers. Stipends for young people to work in small businesses throughout Oakland and receive entrepreneurial training.
STREET & INFRASTRUCTURE REPAIR	\$ 1,600,000	15%	Pothole Crew. 100 Residential street blocks would be paved over a eight month period to improve the riding surface of streets and repair minor and medium defects before major repairs are needed resulting in major expenditures. To complete three blocks (28' X 600' X 2") of paved streets per week the crew would pave three days. Staff would assist the Asphalt Grinding Contractor two days per week. Staff will need to perform required maintenance on equipment as needed. Paving would occur April 2012 through November 2012 (8 months) when hot asphalt mix is readily available with a crew of eight. Variables such as traffic control, street condition, and utility work required would determine what existing resources (4-6 employees, equipment, and supplies) would be needed to augment this proposal. These costs are part of the current budget and not included in the proposal.
SENIOR SERVICES	\$ 350,000	3%	Senior Center operations were reduced during the FY10/11 midcycle and further reduced during the FY11/13 biennial budget process.
TOTAL	\$ 11,000,000		