



Agenda Report



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| TO: | Honorable Mayor & City Council Members of the Public | FROM: | Nikki Fortunato Bas |
| | | | Council President Councilmember, District 2 |
| SUBJECT: | 2023 Council Retreat | DATE: | February 21, 2023 |
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RECOMMENDATION

Council President Bas Recommends That The City Council: **Adopt A Report And Recommendation To Establish Council Values And Budget And Policy Priorities For Fiscal Year 2023-2025 Budgeting Process Following Facilitated Discussion On The Same**

EXECUTIVE SUMMARY

Every odd-numbered year, the Council holds a retreat to begin our budget process and develop our priorities. This retreat will take place on Friday, March 3rd at 9am to approximately 5:30pm at Lakeside Park Garden Center, Vista Room (666 Bellevue Avenue, Oakland, CA 94610). This report provides a summary of the Council’s budget and policy priorities to date, which we will update at the retreat. A facilitation agenda is attached with more detailed information about the retreat.

BACKGROUND / LEGISLATIVE HISTORY

Current Values and Priorities

In March 2021, the City Council developed a set of priorities rooted in our **values of equity, transparency and effectiveness** to serve all of Oakland and ensure that the most vulnerable residents and low-wage workforce, who were already disproportionately impacted before COVID, are able to thrive as we move towards a more healthy and more just recovery.

These priorities have guided our budget and policy work over the last two fiscal years.

A. Affordable Housing & Homelessness Solutions

- a. Protection/Prevention — protect tenants and low-income property owners, prevent homelessness
- b. Preservation — preserve affordable housing
- c. Production — produce deeply affordable housing
- d. House unsheltered residents — lease/purchase hotels; utilize public land for emergency shelter, safe parking sites, transitional housing and permanent deeply affordable housing
- e. Service encampments with outreach and supportive services, and health and sanitation services

B. Public Safety & Violence Prevention

- a. Take action on the recommendations of the Reimagining Public Safety Task Force to increase public safety through alternative responses to calls for service and investments in the root causes of violence and poverty
- b. Reduce gun violence and focus on violent crime, including increasing investigation capacity
- c. Increase violence prevention, trauma-informed care and healing
- d. Develop and implement alternative responses to police, such as MACRO
- e. Implement and expand Crime Prevention Through Environmental Design (CEPTED) for crime prevention and traffic calming

C. Good jobs and vibrant economy

- a. Create and maintain family-sustaining jobs
- b. Enhance workforce development and training, and youth jobs programs
- c. Support small businesses, addressing racial and gender disparities, and enhancing business districts
- d. Fully staff City Departments by improving recruitment, filling vacancies and increasing both succession planning and retention

D. Clean, healthy, sustainable neighborhoods

- a. Reduce and prevent illegal dumping, litter and blight, including proactive service and reducing the backlog of abandoned autos
- b. Ensure safe and well maintained streets and sidewalks
- c. Invest in parks, libraries, youth development, senior services, arts & culture
- d. Expand wildfire prevention and disaster preparedness/response

In April 2021, we began work to advance these priorities with the Administration with **Committee Chairs and Department Directors collaborating** to bring further discussion and action to Council, starting with existing department plans. This work has included:

- [Housing Element](#) of the General Plan Update
- [2021-2023 Strategic Action Plan](#) of the Housing & Community Development Department, also see [2021 Impact Report](#)
- [Permanent Access To Housing \(PATH\) Framework and Homeless Strategy](#) of the Human Services Department
- [Economic Development Strategy](#) of the Economic & Workforce Development Department
- [Reimagining Public Safety Task Force Recommendations](#), also see [Resolution Prioritizing Recommendations From The Reimagining Public Safety Task Force](#)
- [Mobile Assistance Community Responders of Oakland \(MACRO\) Program](#)
- [Violence Prevention Services Spending Plan](#) of the Department of Violence Prevention
- [Transportation Strategic Plan](#) of the Department of Transportation

In May 2021, the **Administration proposed a FY 2021-2023 budget** in an [accessible on-line platform](#) for the first time, introduced a Racial Equity Analysis tool that was used to assess how any proposed service changes would either benefit or not disproportionately impact low-income Black, Indigenous, and other communities of color, and implemented recommendations by the City Auditor, correcting the past practice of under budgeting police overtime by accurately funding expenditures required to maintain services.

In June 2021, the [Council adopted a balanced budget](#), with amendments proposed by the Council President's Budget Team, and began a path towards more intentionally addressing the systemic disinvestment in marginalized communities. The following 2021 budget allocations and policy directives, among others, are creating a more comprehensive infrastructure where community well-being is investments in housing, jobs, violence prevention, and young people.

- Policy directive to: Instill Equity in the City Budget Process, incorporating equity tools into the budgetary processes, which evaluate whether budgetary actions reduce or exacerbate existing racial disparities, how negative impacts will be mitigated, and how we will measure outcomes.
- Policy directive and budget allocation to: Stand up MACRO as an effective alternative response system as first responders to non-violent calls for service when Oaklanders call for help.
- Investment of \$17 million more in the Department of Violence Prevention, including violence interrupters and community ambassadors who live in our neighborhoods -- a community-centered workforce, which is a new form of public health worker or community safety professional.
- Policy directive to modernize our business tax to make it progressive and more equitable, and raise millions for city services. (Placed on the 2022 ballot and passed by voters.)
- Policy directive to explore a possible new Infrastructure Bond ballot measure in 2022 for public infrastructure and affordable housing. (Placed on the 2022 ballot and passed by voters.)

As part of the City's Biannual or Midcycle Budgets, in addition to the adopted budget allocations, the City Council also directs staff to assess or implement specific policies, programs, or performance targets and report back at a future date with findings, recommendations and/or a proposed implementation plan. The **Policy Directives Tracking document** includes and tracks the progress of policy directives provided in the Fiscal Year 2019-21 Biannual Budget, Fiscal Year 2020-21 Midcycle Budget, Fiscal Year 2021-23 Biennial Budget, and Fiscal Year 2022-23 Midcycle Budget. You may find the tracking documents on this page: <https://www.oaklandca.gov/resources/policy-directives>. The administration will provide an update to this tracking document after the conclusion of the current fiscal year.

FY 2023 - 2025 Budget Timeline & Benchmarks

Oakland's [Consolidated Fiscal Policy](#) (2020) describes the budget process (see p. 9). Below are some benchmarks.

- **March 15: Statement of Councilmember Priorities**

Councilmembers must submit their budget priorities to the Mayor, Interim City Administrator, Finance Director and Budget Director by March 15, 2023.

City Council Members will have the opportunity to advise the Mayor and City Administrator publicly of their priorities. Each Council member shall be invited to submit up to seven expenditure priorities in ranked and/or weighted order for changes to the baseline budget as presented in the Five-Year Forecast. Councilmember priority statements must be submitted as part of a report to be heard by the City Council and/or in a publicly available writing to the Mayor and City Administrator by March 15. In addition to the priorities, Councilmembers may also submit other suggestions, including revenue suggestions.

- **Before April 15: Budget Outlook Message & Calendar Report**

Report to the City Council a Budget Outlook Message & Calendar no later than April 15th that provides an overview of the budget development process and lists all key dates and estimated dates of key budget

events, including release of the Proposed Budget, Community Budget Forums, Council budget meetings, and formal budget passage dates.

- **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**

Please schedule your District Community Budget Forum between May 14 - 25 with the Budget Administrator.

- **By June 1: Budget Advisory Commission's Report**
- **By June 12: Council President's and Other Amendments published**
- **Before June 17: Council President's and Other Amendments presented at Special Meeting**
- **By June 30: Council adopts a balanced budget**

ANALYSIS AND POLICY ALTERNATIVES

This Council retreat is an important part of the budget process, as described in the Consolidated Fiscal Policy.

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 provides the Council, together with other branches of government, an opportunity to consider and seek input from Oaklanders, reflect on our values, priorities, and the current fiscal outlook, and refine our priorities throughout the budget process to best meet the needs of our Oakland community.

A key issue emerged from the 2021 retreats that requires ongoing discussion and action, which is: **Making our work more cross-cutting to follow through on the Council's budgeting and policy making with implementation, evaluation and leveraging other resources.**

FISCAL IMPACT

Funding for direct expenses for conducting the Council retreat such as meeting facilitation and meals is in the Council Administration budget.

PUBLIC OUTREACH / INTEREST

The retreat agenda and materials are being published with 10 days notice per the Sunshine Act. The retreat will be a public in-person meeting at Lakeside Park Garden Center, Vista Room (666 Bellevue Avenue, Oakland, CA 94610). The meeting will not be available via Zoom. Members of the public may attend the meeting and comment. At the meeting, the Council will consider results from the biennial budget survey. The Councilmembers will publish their priorities by March 15, conduct budget related Council meetings, conduct District Community Budget Forums, and consider public input prior to adopting a balanced budget by June 30, 2023.

COORDINATION

Council President Bas and her office worked with the City Administrator, Budget Office, Department of Race and Equity, City Attorney, City Clerk, and HR&A Advisors on this report and retreat agenda.

HR&A Advisors is interviewing Councilmembers and the Administration to develop the retreat agenda and will facilitate the retreat. HR&A has a unique combination of mission which is aligned with the City's equity goals and priorities, policy and budget analysis, community engagement techniques, as well as a track record and expertise across multiple cities in the Bay Area and country. The facilitators are:

- Lamont B. Cobb, Director, who will serve as Project Manager and Lead Facilitator. He is an urban planner who focuses his work on uplifting the voices and power of marginalized communities in shifting urban development paradigms. He brings a special lens to this project as a fourth generation Californian and former L.A. City Council Deputy.
- Kayla Jaffe, Senior Analyst, who will serve as Co-facilitator. Kayla is a skilled facilitator and convener, supporting projects to develop equitable work programs for the L.A. County Department of Planning, as well as leading major engagement and policy efforts for the transition of Judge Linda Hidalgo in Harris County, TX.

SUSTAINABLE OPPORTUNITIES

Economic: The Council retreat and budget process with community engagement can result in increasing economic opportunities for Oaklanders, including those who have been most deeply impacted.

Environmental: The Council retreat and budget process with community engagement can result in increasing environmental sustainability for Oaklanders, including those who have been most deeply impacted.

Race & Equity: The Council retreat and budget process with community engagement can result in increasing racial equity for Oaklanders, when those who have been most deeply impacted are better able to share their experiences and opinions, and give input to legislation that affects them.

ACTION REQUESTED OF THE CITY COUNCIL

Council President Bas Recommends That The City Council: **Adopt A Report And Recommendation To Establish Council Values And Budget And Policy Priorities For Fiscal Year 2023-2025 Budgeting Process Following Facilitated Discussion On The Same**

For questions regarding this report, please contact Cinthya Munoz-Ramos, Chief of Staff to Council President Nikki Fortunato Bas, District 2 at cmunozramos@oaklandca.gov.

Respectfully submitted,



Nikki Fortunato Bas
Council President, District 2

Attachment:

1. Facilitation Agenda