

2018 JUN -7 PM 4: 53



CITY OF OAKLAND

## MEMORANDUM

**TO:** HONORABLE MAYOR &  
CITY COUNCIL

**FROM:** Katano Kasaine  
Finance Director

**SUBJECT:** FY 2018-19 Midcycle Budget  
Questions / Responses #1

**DATE:** June 7, 2018

City Administrator Approval:



Date:

6/7/18

### PURPOSE

The purpose of this memorandum is to transmit to the Mayor, City Council and the public, responses to questions raised by City Councilmembers related to the Fiscal Year (FY) 2018-19 Proposed Midcycle Budget. Staff has provided responses to as many questions as possible at this time. Some questions require more analysis and responses will be forthcoming through future memoranda along with responses to additional questions received. To the extent additional information becomes available on any of the responses below, updates will be provided.

### QUESTIONS AND RESPONSES

**As we prepare for the City of Oakland's mid-cycle budget review, I am writing to share my requests for items I would like to see included in the budget. I am requesting your assistance to include these items, and with verifying the costs for each.? [Kaplan]**

No.	Request/Question	Response
1)	Add 2 crews for illegal dumping hot spots (zone based, not just complaint based);	The Proposed Midcycle Budget adds one (1) illegal dumping crew consisting of 3.0 FTE. The ongoing annual cost of an additional illegal dumping crew (3.0 FTE) is \$447,746 (inclusive of both personnel and O&M), plus an additional \$325,000 in one-time equipment costs.

**HONORABLE MAYOR AND CITY COUNCIL**

Subject: FY 2018-19 Midcycle Budget Questions/Responses #1

Date: June 4, 2018

2)	Capital improvements for the downtown Oakland Senior Center;	The City allocated \$100,000 in capital improvements for the Downtown Oakland Senior Center in FY 2017-18.
3)	Funding for the mattress recycling program. (\$30,000 one-time);	Yes, the Oakland Public Works Department, through a separate resolution, is recommending the City Council provide the authority to appropriate up to the revenues received from the Mattress Recycling Redemption Program for outreach, education, and materials for illegal dumping.
4)	Gun Tracing, cracking down on gun crimes (add 1 Crime Analyst);	This is not included in the Proposed Midcycle Budget. The annual cost of 1.0 FTE Crime Analyst is \$150,031.
5)	Litter Enforcement Officers with authority to issue citations for illegal dumping, to work evening hours, and to collect photos to pursue illegal dumpers;	Yes, the Proposed Midcycle Budget includes 3.0 FTE Litter Enforcement Officers.
6)	Improved lighting to deter illegal dumping hot spots (capital cost, one-time fund);	The Proposed Midcycle Budget provides for \$250,000 in one-time funding to improve street lighting in illegal dumping hotspots.
7)	Public toilets and handwashing stations, for disease prevention and reducing impacts on community. (Pilot program for two installed facilities; installation and maintenance \$300,000);	The Proposed Midcycle Budget provides an additional \$300,000 for sanitation services for the homeless, including public toilets and handwashing stations.
8)	Expanded support for homeless sanitation and support (\$800,000);	<p>The Proposed Midcycle Budget provides an additional \$300,000 for sanitation services for the homeless, including public toilets and handwashing stations (see response to Question 7 above).</p> <p>The Proposed Midcycle Budget also provides an additional \$500,000 for the New Rapid Rehousing Center and/or expansion of winter shelters, for a total of \$800,000 in available funding in FY 2018-19 including the \$300,000 already made available</p>

		by the City Council in the Biennial Budget.
9)	Add new fees to the Master Fee Schedule for bicycle/scooter share programs;	These fees are not part of the FY 2018-19 Proposed Midcycle Master Fee Schedule. An item is scheduled for 7/10/2018 Public Works Committee to address these fees.
10)	Transfer personnel funding from OPD to OAS, to go with duties transferred previously. (Transfer cost for 3 Animal Control Officers from OPD to OAS);	All OAS positions formerly in the OPD were transferred. The Proposed Midcycle Budget adds 2.0 FTE in Animal Care Services (1.0 FTE Animal Care Attendant and 1.0 FTE Public Service Representative) at a cost of \$167,496 annually.
11)	Traffic studies/pedestrian safety studies for: a. MacArthur Blvd in the Dimond to Laurel Districts; and b. Martin Luther King Blvd (North Oakland);	<p><b>MacArthur Blvd in the Dimond to Laurel Districts:</b> OakDOT has been actively working with the Laurel Business Improvement District (BID) and District 4 Council Office on pedestrian safety and circulation improvements and will be implementing these over the next 6-12 months.</p> <p><b>Martin Luther King Blvd (North Oakland):</b> This street is on the City's current 5-year paving plan, and is identified as a high injury corridor; as such, a safety study is planned to take place and recommendations to be implemented concurrent with the paving.</p>
12)	Implement and report on status of funds previously allocated for tenant protection and education, and evaluate what additional resources needed;	The Adopted Biennial Budget included anti-displacement funding of \$700,000 in the current fiscal year (FY 2017-18) and \$1.5 million in Fy 2018-19. On May 22, 2018, staff brought an informational report before the Community & Economic Development Committee outlining the proposed scope of services for this funding. A spending plan will be brought to the City Council in July 2018.
13)	Report on status of funds previously allocated for protection of immigrant rights, and evaluate what additional resources needed;	In January 2017, the City Council approved Resolution No. 86572 that amended the FY 2016-17 Midcycle Budget to provide a grant of \$150,000 to Centro Legal de la Raza as the lead agency for the Alameda County Immigrant Legal and Education Partnership (ACILEP) to provide urgent legal and support services to families at risk of deportation. The ACILEP consists of the Alameda

		<p>County Public Defender's Office, Black Alliance for Just Immigration, California Immigrant Youth Justice Alliance, Causa Justa/Just Cause, The Interfaith Movement for Human Integrity, Mujeres Unidas y Activas, Oakland Community Organizers, Street Level Health and the Vietnamese American Community Center of the East Bay. The grant agreement was executed for the period May 1, 2017 through April 30, 2018 and all funds have been distributed to date. The \$150,000 grant supported 15% of the legal and rapid response services provided as part of the ACILEP.</p>
14)	<p>Review of police overtime expenditure and budget adjustment to protect funds from being taken for policing outside of the budget process;</p>	<p>Overtime is necessary to cover the cost of backfilling for vacancies and other paid leaves. That said, staff continues to monitor overtime expenditures citywide. More specifically, staff in the Police and Fire Department routinely report on overtime expenditures, including during the quarterly revenue and expenditure reports as well as through informational reports to the Public Safety Committee. In an effort to better control overtime, the City Council recently approved an amendment to the Consolidated Fiscal Policy that will require departments to submit corrective actions if they are projected to overspend their budget.</p>
15)	<p>Job training and apprenticeship programs, funding options.</p>	<p>The Proposed Midcycle Budget allocates an additional \$275,000 in General Purpose Fund support for job training, job placement, and other workforce services.</p>

**15) On April 17th the Council approved item 12 authorizing the refinancing of Leased Revenue Bonds. There would be a savings of \$800,000 per year as a result of the refinancing. The savings would continue through FY2026/27. Where is that savings included in the budget? Break down all the revenues allocated in this fund. [Brooks]**

The savings from the refinancing referenced above are already included in the City Council approved FY 2017-19 Adopted Budget and can be found in the summary of significant changes section of the Adopted Budget book. The savings from the above referenced refinancing are shown as an ongoing reduced expenditure in the General Purpose Fund for

debt service payments. A breakdown of revenue sources in the General Purpose Fund can be found in Exhibit 1 of the FY 2018-19 Proposed Midcycle Budget.

**16) How much would it cost to take the District 6 Abandoned Waste Pilot project to scale? [Brooks]**

Currently, there four (4) Full Time Employees (FTE) that make up the Rapid Response Crew assigned to District 6. To implement this model citywide would require an additional three (3) rapid response crews (12 FTE) to have a proactive illegal dumping clean-up crew in all four (4) zones. Public Works was approved for one (1) rapid response crew in the 2017-19 adopted budget. The total cost of all three crews is estimated at \$3,162,498 (\$1.35M one-time and \$1.81M ongoing). See table below for the cost details.

**Rapid Response Crew Cost Detail:**

Position	Cost/FTE	Total Cost
One (1) Street Maintenance Leader	\$150,043	\$150,043
Three (3) Public Works Maintenance Workers	\$118,041	\$354,123
<b>Total Personnel Cost for additional staff</b>		<b>\$504,166</b>

Equipment and Maintenance	One-time	Ongoing	Total
One (1) 25 cubic yard Packer	\$325,000		\$325,000
One (1) 6 cubic yard Packer	\$125,000		\$125,000
One (1) 25 cubic yard Packer - O&M Cost		\$57,000	\$57,000
One (1) 6 cubic yard Packer - O&M Cost		\$43,000	\$43,000
<b>Total Equipment and Maintenance Costs</b>	<b>\$450,000</b>	<b>\$100,000</b>	<b>\$550,000</b>

TOTAL COST	First Year	Ongoing
<b>Total Costs for Additional Rapid Response Crew</b>	<b>\$1,054,166</b>	<b>\$604,166</b>
<b>Total Costs for Three (3) Rapid Response Crew</b>	<b>\$3,162,498</b>	<b>\$1,812,498</b>

**17) How many residential and commercial properties are under construction or are in the planning approval pipeline? [Brooks]**

Units under construction (Permits issued and not yet final)	Major units in the pipeline (Planning approved and not yet permitted)
# of Projects / # of units	# of Projects / # of units
193 / 4,284	13 / 1,588

**18) What are the anticipated revenue streams to the city's general fund from these new and proposed developments (permit application, inspections, and other construction-related city regulatory services, and any other sources)? [Brooks]**

Revenues from permit applications, inspections, and other regulatory services, are non-General Purpose Fund sources. Assuming timely completion of projects and timely

reassessment by the Alameda County Assessor's Office, properties that are not exempt (e.g., affordable housing developments and/or not-for-profit owned properties) will eventually pay property taxes.

**19) What is the projected total annual revenue to the city's general fund from the new developments? [Brooks]**

See answer to Question 17 above. Assuming that these properties are not affordable housing or not-for-profit owned (property tax exempt), there will be property tax revenues once construction is completed and the assessed values have been added to the property tax roll by the County Assessor. There will be no property tax revenues from these developments in FY 2018-19.

**20) Please provide a hire date and timeline for all unfilled positions in the Mid-year budget proposal. [Brooks]**

The Human Resources Management Department's most recent Semi-Annual Vacancy report can be found here: <https://oakland.legistar.com/LegislationDetail.aspx?ID=3477093&GUID=D7B2755A-1C15-4639-8F11-68FB932EEB67>. This report includes information on the status of recruitments by position and department for all unfilled positions.

Consistent with existing practice, the City budgeted all proposed civilian positions with a 4.0% vacancy factor (8.5% in the Library Department). The positions added in the FY 2018-19 Proposed Midcycle are all assumed to be hired within the fiscal year. Some positions with existing civil service eligible lists could be hired more quickly than others. Additional staffing in the HRMD for recruitments and newly proposed contracts with outside recruiting firms could also shorten the timeline for filling these new positions. The table below shows the positions and costing assumption in the Midcycle.

Position	FTE	Costing Assumption
Receptionist, PPT	0.6	Full-Year
Animal Care Attendant	1.0	Full-Year
Public Service Representative	1.0	Full-Year
Tax Auditor II	1.0	1/2 Year
Account Clerk II	1.0	1/2 Year
Account Clerk II	1.0	1/2 Year
Application Developer III	1.0	Filled Position
Administrative Assistant II	1.0	Full-Year
Administrative Assistant II (CONF)	1.0	Full-Year
Senior HR Analyst	1.0	Full-Year
Budget & Grants Administrator	1.0	Full-Year
Health and Human Services Planner	1.0	Full-Year
Street Maintenance Leader	1.0	1/2 Year
PW Maintenance Worker	1.0	1/2 Year
PW Maintenance Worker	1.0	1/2 Year

**21) Why is AAMLO only receiving \$35,000 per year under Measure D? What is the annual operating budget of AAMLO? What is happening with the salary savings resulting from the lack of a Director at AAMLO? [Brooks]**

The Library Department is still developing and reviewing various possible implementation scenarios and phased hiring using the FTE requested should Measure D pass (Exhibit 5). Although the planning is still in progress, expansion of AAMLO service hours and requisite additional staff is a high priority. Although the permanent AAMLO Chief Curator position is vacant, the salary savings are being used to fund the Interim Chief Curator until a permanent Chief curator is hired. The FY 2017-18 Adopted Budget for AAMLO is \$1.36 million.

**22) What is the cost of the of the new Horse unit at OPD? Please break out all costs i.e personnel, lodging, food, etc. [Brooks]**

There is no additional cost for staffing. It is funded through existing OPD budget. Please see the table below for Operations & Maintenance expenses associated with the pilot Horse Mounting program. The equipment (trailer) was purchased with existing OPD equipment funds and support from the General Purpose Fund.

Category	Cost
Equipment (Trailer)	18,383.75
Facility	2,258.50
Feed	2,867.19
Grooming	830.00
Medical	3,557.90
Supplies	6,812.55
<b>Total</b>	<b>34,709.89</b>

**23) What is the cost for increasing lighting throughout Oakland? [Brooks]**

The City has approximately 38,000 street lights that provide safety lighting for street users at night. The FY 2018-19 Proposed Midcycle funding of \$250,000 is to upgrade the existing lighting under freeway overpasses and other illegal dumping hotspots with brighter and more energy efficient LED lighting. It is estimated that approximately 30 existing locations can be retrofitted and upgraded with this funding. Adding new lighting locations would require lighting studies, additional infrastructure (e.g. underground conduit and wiring), at a cost of approximately \$6,000 per pole, plus ongoing additional operating and maintenance costs.

**24) What are the current staffing levels of the street sweeping crews? Street sweeping enforcement? What is the amount of revenues collected annually for street sweeping enforcement? How many open assignments per day are there in the Street Sweeping unit? [Brooks]**

There are twenty (20) Street Sweeper Operators (SSO) in the KOCB Division. Thirteen (13) are assigned to the dayshift and seven (7) are assigned to the nightshift. There is one (1) Street Maintenance Leader assigned to the dayshift and operates a Drop Box Truck, which is utilized to place dumpsters in strategic locations so the SSO can efficiently dump their loads that they collect while servicing their routes. There are two (2) Public Works Supervisor I assigned to the operation, one (1) dayshift and one (1) nightshift. One (1) Public Works Supervisor II oversees the entire operation. The total number of employees dedicated to this operation is twenty-four (24)

Position	Day Shift (FTE Count)	Night Shift (FTE Count)	Total
Street Sweeper Operator	13	7	20
Street Maintenance Leader	1		1
Public Works Supervisor I	1	1	2
Public Works Supervisor I (Oversees Operation)			1
<b>Total Street Sweeping Crew Staffing Level</b>			<b>24</b>

In the month of April there were 47 open assignments of a possible 581 assignments (8% not assigned), which equates to 1.57 open assignments per day since the Street Sweeping Unit operates seven (7) days per week. Also of note, this information represents the day and nightshift.

Department of Transportation (OakDOT) has determined that the budgeted positions for Parking Enforcement Technicians (PET) on Street Sweeping detail are adequate to cover existing maps. We are working to fill vacancies.

PE Supervisor	Budgeted				Current				Vacant			
	FT	PPT	TPT	Total	FT	PPT	TPT	Total	FT	PPT	TPT	Total
Daytime	0	10	15	25	0	9	11	20	0	1	4	5
Graveyard	0	1	9	10	0	1	7	8	0	0	2	2
Combined	0	11	24	35	0	10	18	28	0	1	6	7
%					0%	91%	75%	80%	0%	9%	25%	25%

These citation and fine totals below reflect fines issued for violation 10.28.240, the chart represent a six (6) years historical trend.

Year	Citations	Fines
2012	162,058	\$10,695,828
2013	168,402	\$11,114,532
2014	168,215	\$11,102,190
2015	174,891	\$11,542,806
2016	174,891	\$11,542,806
2017	159,863	\$10,550,989

The Parking Enforcement Division with the OakDOT coordinates with the Public Works Department (OPW) to make sure that available technicians cover all maps with brooms on a



given day. When Parking Enforcement Division are short staff, PETs cover as much of a map as possible. OPW has developed a tracking tool to make sure that a given street is not missed on two consecutive sweeping days.

**25) How much of the City’s budget is allocated to nonprofits without them going through an RFP process? [Brooks]**

The following table provides allocations to non-profits included in the budget with whom the City Administrator is authorized to enter into grant agreements. The authority to enter into grant agreements is authorized by a separate resolution of the City Council.

Agency	FY18-19 Amount
Family Bridges	\$79,680
Unity Council	\$175,296
Vietnamese American Community Center of the East Bay	\$18,360
Vietnamese Community Dev. Inc	\$18,360
SOS/Meals on Wheels	\$150,000
Eden I&R Inc.	\$100,000
Youth Together	\$150,000
Oakland Children’s Fairyland Inc.	\$136,500
Chabot Space & Science Center	\$273,105
Oakland Parks and Recreation Foundation	\$20,000
Friends of Peralta Hacienda Historical Park	\$45,900
East Bay Zoological Society	\$171,414
Oakland Asian Cultural Center	\$51,000
<b>TOTAL</b>	<b>\$1,389,615</b>

**26) How much city money has been allocated to Oakland Promise, for all purposes, since its inception? Has any of this money been awarded through an RFP process? If not, why not? [Brooks]**

A total of \$1,150,000 has been allocated to the Oakland Promise since its inception which includes funding of \$150,000 in FY16/17, \$500,000 in FY17/18 and \$500,000 in FY18/19. This money is allocated to scholarships for young Oaklanders based on eligibility rather than through an RFP process.

**27) Please provide a list of all non-WIOA jobs programs that have been coordinated by the WIB/WDB? [Brooks]**

The OWDB has coordinated several non-WIOA jobs programs over the past couple of years, including:

- City of Oakland Summer Jobs program
- West Oakland Job Resource Center (WOJRC)
- East and West Oakland Neighborhood Career Centers
- Cypress Mandela
- Day Labor Center
- Civicorps

- California Career Pathways Trust

**28) Please provide a chart showing the business license tax revenue, for the current budget period, by category of business license. [Kaplan]**

<b>Fiscal Year 2018-19 Business Tax Forecast</b>	
<b>Primary Category</b>	<b>FY 2018-19</b>
Cannabis	\$ 11,000,000
Professional Services	\$ 17,803,000
Rental of Real Property	\$ 30,243,980
Sales	\$ 8,630,000
All Other Categories	\$ 17,945,020
Penalties & Interest	\$ 1,000,000
<b>Total Forecast</b>	<b>\$ 86,622,000</b>

**29) How does this Budget address enforcement of laws to against illegal dumping? [Kalb]**

Enforcement is a key component of our three E's strategy (Eradication, Education, and Enforcement) to combat the epidemic of illegal dumping. On June 5th, the Council will consider a resolution to restore the Litter Enforcement Officer (LEO) program, this is the first step in creating an enforcement piece of the strategy. This program was first established in 2002 and consisted of eight (8) LEO's, one (1) Public Service Representative, and one (1) Compliance Supervisor. Over the years, as the City experienced financial hardship, the program was reduced to four (4) LEO's, and in 2010, the program was eliminated. Since the program ended, the number of work orders for illegal dumping has tripled.

The current proposal calls for three (3) LEO's. The LEOs will have full authority to investigate incidents, cite illegal dumping offenders, perform deterrent tactics, and educate the public on how to properly dispose of unwanted items. Staff is in communication with the City Attorney's Office and the Office of Race and Equity to ensure that the program does not disproportionately target under-served communities and ensure that there are alternatives to monetary fines. This program is currently under development and appropriate metrics will be created to evaluate the efficacy of our outreach and education as well as our enforcement component of the program.

**30) Please provide a chart illustrating the \$11 million deficit starting point? [Gibson-McElhaney]**

<b>General Purpose Fund (Fund 1010)</b>	
COLA, Equity, Fringe Rate Adjustment, H&W, TPT Conversion	\$ 7,906,650
FY 16-17 KidsFirst True-up	\$ 1,129,384
FY 12-13 through FY 15-16 KidsFirst True-up	\$ 2,005,665
<b>Total Projected Deficit</b>	<b>\$ 11,041,699</b>

**31) Please provide an analysis and costing of a proactive illegal dumping response model [Gibson-McElhaney]**

Currently, there four (4) Full Time Employees (FTE) that make up the Rapid Response Crew assigned to District 6. To implement this model citywide would require an additional three (3) rapid response crews (12 FTE) in the budget in order to have a proactive illegal dumping clean-up crew in all four (4) zones. Public Works was approved for one (1) rapid response crew in the 2017-19 adopted budget. The total cost of all three crews is estimated at \$3,155,223 year one (\$1.35M one-time and \$1.81M ongoing. See the table in question #24 for cost details

**32) Please provide a map of the four zones used by public works for illegal dumping crews. [Gibson-McElhaney]**

See attached Map of KOCB Zones (*Attachment A*).

Zone 113 – West of Lake Merritt to the Berkeley border

Zone 114 – East of Lake Merritt to High St.

Zone 115 – High St. to 82nd Ave.

Zone 116 – 82nd Ave. to the San Leandro border.

**33) Please provide an analysis of the impact on operations/services to the public of adding the two proposed positions to Oakland Animal Services[Gibson-McElhaney]**

OAS currently serves approximately 350 animals per day, shelters 6,000 animals per year, is open six days a week, and maintains 21 open hours per week to serve the public. While OAS has continued to experience overall staffing challenges, the Department and the Administration have worked closely together with Human Resources to expedite recruitments of existing vacancies. A majority of these vacancies are well into the recruitment and hiring stage (see informational memo from May 3, 2018).

The FY 2018-19 Proposed Midcycle Budget includes the addition of 1.0 FTE Animal Care Attendant and 1.0 Public Service Representative to Oakland Animal Services. ACAs are responsible for intensive animal care and maintenance at the animal shelter. ACAs handle a wide variety of animals in various stages of health and temperament, and monitor them for signs of illness or unusual behavior. ACAs also maintain a variety of areas of the shelter, including the kennels where animals mainly are kept. ACAs interact with the public and assist PSRs when needed at the front desk for specific instances, including situations that require animal handling or vaccines. PSRs manage the front desk and provide comprehensive customer service for OAS. PSRs provide clients information on a variety of services, problem solve and respond to questions, collect and process payments, and input data. Adding these two positions will allow a smoother deployment of resources to the public. Both of these position classifications have current eligibility lists, which will allow for an expedited hire.

**34) What Departments will the additional Human Resource Management recruitment positions support? [Campbell-Washington]**

Two (2) of the additional positions in the Human Resource Management Department will specifically focus on recruitments in the Planning and Building (approximately 23 vacancies as of 5/7/2018), Public Works (approximately 87 vacancies as of 5/7/2018), and Transportation Departments (approximately 68 vacancies as of 5/7/2018). One (1) of the

additional positions will assist with general recruitments for other City Departments. By adding more recruitment capacity, all departments will benefit as the current budgeted positions for recruitments increase from six (6) to nine (9) Analysts.

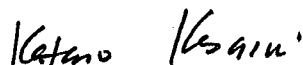
**35) What are the impact that the proposed midcycle investments will have on illegal dumping? What metrics will be used to measure these impacts [Guillen]**

The goal of the illegal dumping investment is to fully execute Oakland's three E's strategy of Eradicating, Educating, and Enforcement of illegal dumping in the city of Oakland. If we fully invest in the three E strategy that is sustainable, over time, the efforts will result in a cleaner, healthier, and enjoyable environment for all citizens and visitors. The goal is to reduce the littering and illegal dumping within our neighborhoods and ensure no matter your neighborhood, the City is invested in ensuring all neighborhoods are clean, safe, and sustainable.

We will perform annual visual assessments of our streets, we will solicit community feedback. Other metrics that will be used to determine effectiveness of the program include service requests received by 311, tracking and analyzing tonnage, and resources dedicated to establishing a clean and safe City. The true measure will be how we as citizens in the City of Oakland feel about the cleanliness of their neighborhoods, whereby we are not asking for clean streets, more importantly, clean streets will be the norm.

For questions, please contact Adam Benson, Budget Administrator, at (510) 238-2026.

Respectfully submitted,



---

KATANO KASAINÉ  
Finance Director

Attachments (1):

*Attachment A: Map of KOCB Zones*

