



City of  
**OAKLAND**  
California

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## News from: **City of Oakland**

### **FOR IMMEDIATE RELEASE**

April 17, 2013

## **Mayor Quan proposes two-year budget investing in police and economic development**

**Oakland, CA** – Today, Mayor Jean Quan, City Administrator Deanna J. Santana and senior budget staff released the City of Oakland’s FY 2013-15 Proposed Policy Budget.

The proposed budget strives to offer a “fair share” balance of Oaklanders’ many priorities in concert with the City’s fiscal reality. The proposals invest heavily in public safety, job creation and economic development. It is a balanced budget and includes spending reductions that will be necessary to close projected shortfalls, in some cases eliminating positions. Contributions made by City employees to help weather the Great Recession will begin to sunset on July 1, 2013.

Important elements of the proposed budget include:

- Graduating **four police academies** over the next two fiscal years, bringing the sworn staffing to an estimated 697 officers based on graduation and attrition estimates;
- Outlining **policy tradeoffs** that the community, employees and City Council will have to consider, including funding for additional police academies, housing services, litter and illegal dumping enforcement and clean-up, road repair, graffiti abatement, and Head Start services, which likely face federal cuts;
- **Reducing ongoing expenditures** by \$11.6 million in the first year and increasing that reduction to \$16.1 million in the second year;
- As part of those reductions, **eliminating 79.5 full-time equivalent positions (FTEs)** in the first year and **an additional 7 FTEs** in the second year;
- Investing in **economic development**, which includes job training, business assistance, cultural arts and marketing, business attraction and affordable housing;
- **Reducing reliance on one-time revenue** sources, which account for \$14.3 million in the current year but just \$10.8 million over the next two years; and
- Calling on all Oakland stakeholders to **help resolve long-term projected shortfalls** caused by factors outside the City’s control, including rising pension and health care costs, currently unknown state and federal cuts and the still-unfolding impacts of the elimination of the state Redevelopment program. We also begin planning ahead to address the significant **backlog of deferred maintenance** on City roads and buildings, as well as **long-overdue technology upgrades**.

“Oakland is at a crossroads,” Mayor Quan said. “Our economy is on the rise, and we have made great progress together since I walked into office two years ago. With substantial sacrifices from our employees, we closed a record-setting budget gap we had inherited, stabilized our finances despite the Great Recession, and funded the City’s first police academy in more than four years, with a second academy already underway. “

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“Now our revenues are seeing modest, but steady growth, and we have a true opportunity to choose our future. Our decisions will still be hard, but by working together we can seize this chance and realize our vision of long-term success, safety and stability for all of Oakland.”

While the opportunities before the City are significant and exciting, Oakland also faces projected funding cuts and cost increases that are beyond the City’s control, and they are projected to outpace revenue growth. Resolving that will require permanent, systemic reforms, City Administrator Santana said.

“We need to work collectively to make tough, responsible plans to face our challenges,” Santana said. “We need to take this time to address the structural issues that will affect us down the road. Long-term success is within reach, but it will take true partnership to get there. I thank our employees for their commitment to the process and for their dedication to public service.”

“As we achieve successes in public safety, job creation and economic development, we will see growth in local business and revitalized neighborhoods,” Santana said. “That will in turn produce more revenues we can invest into City services, allowing us to better serve our residents, businesses and employees.”

City staff has been working hard to open our government to wider public view and increased transparency. This year, for the first time, we will upload the budget to the newly launched open data platform at <https://data.oaklandnet.com> , which allows users to explore and visualize the raw data.

The budget process continues in that spirit of transparency and inclusion as it now enters a phase of community outreach and engagement. Quan, Santana and staff will formally present the Two-Year Budget Proposal to the City Council on April 30. A series of town hall meetings will be held citywide throughout the month of May, and the City Council will conduct three budget hearings before adopting a balanced budget, as required in the City Charter, by June 30, 2013.

Budget-related documents are available online at <http://www2.oaklandnet.com/OAK040588>, including:

- The full 2013-15 Proposed Policy Budget
- The transmittal letter outlining the broad strokes of the proposals, the administration’s priorities, the principles that informed creating the proposals and the context most important to a full review of the proposals
- Dates and details about upcoming “town hall” community engagement meetings (as they are confirmed)
- A four-page *Budget-in-Brief* fact sheet summarizing highlights of the Proposed FY 2013-15 Budget
- An eight-page *Budget Background* fact sheet, a guide to the background and fundamentals of Oakland’s budget

For more information, contact Sean Maher or Karen Boyd, as listed above.

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