

Service Impact Statements

The following provide, in brief, the service impacts anticipated in the FY 2013-2015 Proposed Policy Budget.

Public Safety

- Complete four (4) police academies over the next two years (two per fiscal year), bringing the sworn staffing level from the current budgeted staff level of 633 to 665 (by the end of FY 2013-14) and to 697 (by the end of FY 2014-15).
- Complete two (2) fire academies in FY 2013-2014, filling approximately 30 vacant firefighter positions (24 funded through the SAFER grant) and hiring approximately 10 paramedics.
- Add five (5) Police Communication Dispatchers.
- Earmark \$2 million for service agreements with outside law enforcement agencies to provide supplemental patrol services, subject to their agreement to provide continued services.
- Freeze one (1) vacant Animal Control Officer position, resulting in delayed services.
- Restore two (2) fire engines that have been on rotating closures since July 1, 2012.
- Begin efforts to streamline Plan Check and Engineering functions among the Fire, Planning & Building, and Public Works departments, which will result in faster reviews, improved efficiency, and reduced redundancy in our permitting process. Increase 1 FTE Fire Plan Check position to improve review time.

Public Works

- Invest \$82.7 million in infrastructure repairs and improvements: \$34.5 million for buildings and facilities, \$25.5 million for sewer services, \$18.8 million for streets and sidewalks, and \$3.8 million for traffic improvements.
- Add two (2) positions to begin implementation of the Council-approved Graffiti Abatement Program.

Human Services

- Reduce service subsidy contracts with the following organizations by 10 percent: Oakland Unified School District; Family Bridges; Vietnamese Community Development, Inc.; and Vietnamese American Community Center. These agencies would need to determine the types of service impacts resulting from this reduction.
- Eliminate one (1) Senior Services Supervisor in FY 2014-2015 and reduce operations/maintenance funds for senior centers.
- **Head Start**--Due to federal sequestration and operating cost increases, reduce the Head Start program by \$1.7 million, which will result in the following service impacts:
 - Reduce 15 days of service, which still provides 15 days of service above the minimum requirement.
 - Close the San Antonio Center and eliminate 13.47 FTEs positions, of which the budget proposes to add back 3.00 FTEs and save 34 slots.
 - Reduce enrollment by 68 slots. Currently there are 1,778 slots, which will be reduced to 1,710.
 - Longer waiting lists: With 68 fewer slots, we will only be able to enroll 432 new children next year, instead of 500, and will carry those not registered on an existing waiting list, which currently ranges from 300-400 children.

- Subsidize one Family Advocate and two Early Childhood Instructors to keep the Eastmont Center open and all Program classes intact. This preserves a full classroom at the Eastmont Center.

Housing

- Approximate 85% reduced funding for affordable housing programs, from roughly \$13 million to \$2 million since 2011, due to dissolution of Redevelopment Agency, operating cost increases, and potential sequestration (not yet included in the proposed budget and additional service impacts likely).
 - Maintains ROPS staffing level, no filled staff reductions in FY 2013-15, funded at: Y1: \$1,740,016; Y2: \$1,782,861; but, does eliminate 2 vacant FTE positions. This results in a staffing complement of 9.75 FTEs in FY 2014-2015.
 - 55% of the projects are scheduled to be completed by June, 2014 as such the staff will be reduced accordingly.
- The budget proposes that any one-time dollars received from the City's claim to the County regarding the extra fee for administering the "triple flip" –a tax transfer resulting in less revenue from vehicle license tax, but more from property taxes—be appropriated for Y1 (2013-14) for supporting affordable housing programs and other quality of life services (e.g., homeless services, graffiti, etc.) and close funding gaps should the Department of Finance deny project management staffing that is currently being disputed through the Recognized Obligation Payment Schedule. The City's claim for "triple flip" funds paid to the County is about \$2.6 million, generally equal to the policy goal of establishing a 20% set aside for affordable housing programs generated through new tax revenue distributed from the dissolution of redevelopment. The City would use FY 2013-2014 to put in place a sustainable program to set aside, as a goal, 20% of future tax revenues distributed from the dissolution of the redevelopment for affordable housing programs within operating fiscal constraints; but, this begins implementation of the policy goal of an affordable housing set aside in the absence of one established through legislation.¹
- Sustain the City's partnership with the Oakland Housing Authority to provide project-based subsidy at each affordable housing development funded by the City. This public-partner collaboration ensures the maximum potential for a well-operated and well-maintained affordable housing inventory in the City of Oakland.

Economic Development

- Sustain Youth Employment Program (at \$1.4M), Adult Employment Training Program (at \$1.4M),

¹ Until a permanent funding stream to support affordable housing is identified to replace the 25% Redevelopment Agency Housing set-Aside, Housing's annual Notice of Funding Availability (NOFA) will focus on preserving the fiscal and structural integrity of the City's affordable housing portfolio. Oakland's affordable housing inventory includes 83 developments comprising more than 4,000 housing units, with an additional 2,000 affordable housing units in the pipeline. Since January 2011, significantly reduced funding for affordable housing has had a two-fold impact: (1) developers are less likely to leverage other loans for affordable housing developments without sufficient local contribution and (2) it further exacerbates the already severe un-met demand for affordable housing. For example, more than 21,000 families are currently on the Oakland Housing Authority (OHA) Section 8 waiting list for affordable housing assistance programs and 121 families sought urgent housing assistance in first two months of operating the new Housing Assistance Center, but could not be served for lack of resources.

Dislocated Worker Training Program (at \$1.1M); provide limited funding for system administration support.

- Start construction at the Army Base by December 2013, which includes constructing a new marine terminal and 1 million square feet of trade and logistics space that will generate approximately 2,000 jobs.
- Support efforts to break ground in spring 2014 at the Brooklyn Basin Project, which includes 3,100 units of housing, 30 acres of open space, and 200,000 square feet of commercial space, with an approximate job count of about 8,000 over the 6 to 8 year build-out of the project.
- Eliminate the Walking Tour program in FY 2014-2015; other Oakland tours offered by private or non-profit groups minimize the impact.
- Stabilize Cultural Arts Programs by transferring some staff costs to Measure C funds.
- Maintain funding for festivals and street events and slightly increase the General Fund allocation established by the City Council to \$80,000.
- Add one (1) FTE to add capacity to basic economic development activities related to business recruitment, retention, and development services.
- Transfer the Neighborhood Investment unit to the Department of Economic and Workforce Development for increased synergy with economic development activities.

Parks and Recreation Services

- Reduce support by 10% for the: Oakland Zoo, Chabot Space and Science Center, Hacienda Peralta, and the Asian Cultural Center.
- Eliminate 3.25 FTEs in recreation center staffing, resulting in reductions to the hours of operation for all recreation centers and programs that are supported by the General Purpose Fund.
 - The following programs/centers are cost-recovering for staff and material costs, so the hours of operation will not change; however, program offerings may be reduced:

Adult Sports

Central Reservation Unit

Carmen Flores Recreation Center

Davies Tennis

deFremery Recreation Center

Dimond Recreation Center

Discovery Centers (grant funded)

Dunsmuir Hellman Historic Estate

East Oakland Sports Center

Franklin Recreation Center

Ira Jenkins Recreation Center

Lake Merritt Boating

Malonga Casquelourd Center for the Arts

Montclair Recreation Center

Mosswood Recreation Center

Redwood Heights Recreation Center

Studio One Recreation Center

- All other recreation centers and programs will have the flexibility to determine when the reduced hours are implemented, which will limit the negative impacts to their respective communities as long as the reduced-funding target is achieved.
- Increased fee at swimming facilities by \$1.00.
- Negotiations for golf course agreements, including subsidies, are currently underway; however, our focus will be on subsidy reductions subject to operational constraints.
- Transfer of funding for various types of services to the Enterprise Fund to sustain current levels of service.

Planning & Building

- Eliminate nine (9) currently vacant positions in order to balance the Special Revenue Fund: Planners (2 FTEs), Inspectors (3 FTEs), Engineers (2 FTEs) and Process Coordinator (1 FTE). While these positions are currently vacant, the loss of capacity will double the response time to process and issue permits, as well as complete inspections.
- Plan-check review and approval will be delayed by approximately two weeks from current review time.
- Slower response times to complaints about blight, illegal dumping, graffiti, etc.
- Proceed with implementation of Accela system to improve the effectiveness and efficiency of the permit process, as scheduled.

Administrative Services and General Government

- Add three (3) FTEs in the City Attorney's Office to pilot a cost-reduction program that reduces the cost of hiring more expensive, outside legal support by increasing in-house capacity at the cost of \$615,652. This assumes that the cost of adding 3 FTEs will be offset by an equivalent reduction in expenditures to hire outside legal support. The pilot program will be evaluated as part of the Mid-Cycle Budget and adjusted accordingly, if necessary. This Pilot Program would be tested in the Self-Insurance Liability Fund.
- Consolidate support for Boards & Commissions by adding one (1) FTE to support the Youth Commission and administratively support the Public Ethics Commission and Citizens' Police Review Board; eliminate the 1 FTE currently assigned only to the Youth Commission.
- Reduce General Fund budgets (personnel costs and operations & maintenance) for all elected offices by 5% in FY 2013-14 and 10% in FY 2014-15.
- Freeze the Administrative Services Department Director and Community Services Director positions.
- Freeze one (1) FTE for information technology and one (1) FTE for accounting supervisor.
- Eliminate/Freeze the Human Resource Manager position in Treasury (1 FTEs), an Accountant III and an Accounting Supervisor in Controller's Office (2 FTEs), an Administrative Services Manager I (1FTEs) in Contract Compliance, Telecommunications System Engineer in Information Technology (1 FTE), a Cable Operations Technician, a Graphic Design Specialist, two Urban Economic Analyst I, an Administrative Assistant, a Program Analyst III, and a part-time Management Intern, City Administration's Office (11.50 FTEs).
- Establish a non-discretionary, one-time Capital Improvement Program Fund for Information Technology at \$8.5 million. Propose use of a portion of these funds for: license renewal and critical software upgrades (e.g., Oracle Payroll upgrade), with remaining funds earmarked for critical system upgrades or replacement.
- Overall, reductions listed above will result in reduced responsiveness to the general public and internal administrative support services, which have already been significantly impacted.