



BUDGET MEMORANDUM

DAN KALB

**City Councilmember, District One
City of Oakland**

To: Hon. Mayor Libby Schaaf, City Administrator Sabrina Landreth and
Budget Director Sarah Schlenk
From: Councilmember Dan Kalb
Date: March 24, 2017
Re: FY 2017-19 Council Expenditure Priorities

Please note that, while I am submitting the following priorities now pursuant to the requirements of the Consolidated Fiscal Policy Part 4 of Section 3 (Ordinance No. 13279 C.M.S.) and with the interest of assisting your offices in the preparation of the Administration's proposed budget, *I am likely to subsequently modify and update my priorities during the budget process as additional information becomes available.*

I look forward to working with each of you on our shared goals of achieving a budget that both serves the needs of Oaklanders, supports the vibrant city that we are, and conforms with realistic efforts to ensure our city's fiscal stability. Thank you.

General Purpose Fund Expenditure Priorities:

Here are my top expenditure priorities for the FY 2017-19 Budget in ranked order, as follows:

1. Violence Prevention and Rehabilitation: Additional Funding for Reentry Services/Programs

Continued growth in the staffing of sworn officers in the Oakland Police Department is an important part of reducing crime and making our neighborhoods safer. While I continue to support building our police force up to over 800 sworn officers, effectively reducing violence, improving neighborhood safety and helping those in need requires more than additional police officers. After a needs analysis is completed, these additional expenditures could include gang intervention programs and enhanced re-entry services to meet unmet needs, including high school and vocational education, as well as housing, which may increase the likelihood of a funding match. *I support adding an additional \$2,000,000 for these services/programs.* To optimize effectiveness, I recommend enhanced coordination with relevant Alameda County agencies.

2. Services for Homeless Residents

The lack of affordable housing is a significant problem throughout the Bay Area. In Oakland alone, there are thousands of people without a home. This is a growing problem throughout

our state and our country—and states and local jurisdictions must work collaboratively to solve it. In particular, Bay Area cities and counties need to engage in regional planning and cooperation to solve this challenge.

Earlier this year, I requested scheduling of a special report, which I anticipate will be heard at the Life Enrichment Committee toward the end of April: “Comprehensive informational report on all the City’s efforts to address the challenges and needs of the homeless individuals residing in Oakland with options for administrative, legislative and budgetary actions,” which include but is not limited to coordination with state agencies, the County and adjacent jurisdictions, progress on identifying land for a sanctioned encampment, other innovative partial solutions, and the number of beds at Oakland-based shelters. Following the presentation of that report, *the City must allocate resources to meaningfully act on its recommendations.*

3. Fire Prevention:

(1) Wildfire prevention:

- a. Continue goat grazing previously funded by expiring WPAD funds;**
- b. Additional civilian inspectors;**
- c. Funding for supporting a new WPAD election.**

(2) Citywide fire prevention (including additional fire inspectors)

The danger of fire in the hills is real and we must conduct thorough inspections of properties in high fire danger areas. I support *funding additional civilian fire inspectors and vegetation management personnel to ensure we are not faced with another major fire in the hills.* I also believe it essential to give the voters the opportunity to re-establish a Wildfire Prevention District (WPAD) with a stable funding mechanism, which entails the Council budgeting for the expense of conducting that election as well potential polling. The City must ensure the continued funding of fire preventative goat grazing, and other essential fire prevention services that were previously paid for with WPAD funds that are expiring.

Additionally, I fully support taking additional steps to prevent fires citywide, including hiring additional fire inspectors and other necessary positions, as recommended by IAFF Local 55.

4. Address funding shortages in Facilities & the Environment:

(1) Energy & Climate Action Plan Revisions & Implementation

(2) Park & Tree Services (Tree Division staffing & park maintenance)

Human-induced climate change impacts all of us and is perhaps the greatest impending threat to life on our planet. Due to its geography and proximity to the ocean, City of Oakland is particularly vulnerable to certain effects of climate change, such as sea-level rise. With the reversal of climate actions at the Federal level, our City must do its part to address this problem by fulfilling the emission reduction goals of our adopted Energy & Climate Action Plan (ECAP). A February 2016 report (update on ECAP) that I requested stated that the City is not on track for reaching its 36% reduction goal by 2020. A favorable track record by Oakland as compared to other cities is an inadequate measure of success. Oakland must achieve its stated ECAP goals—and that will be accomplished only if implementation of ECAP measures is adequately funded. *I would like the Administration to create a plan that prioritizes a substantial number of the existing ECAP measures and then fund the plan to implement those measures within the FY 17-19 budget cycle.*

Trees in our city's neighborhoods bring a host of health, environmental, economic, and aesthetic benefits. Scientific data suggests that urban tree canopies help clean the air, provide shade, reduce noise pollution, improve water quality, and increase property values. Since 2006, the City's Tree Division staffing has been significantly reduced. The current level of staffing, which is funded by the Landscaping and Lighting Assessment District (LLAD) fund (which is not increased annually for inflation), is inadequate for maintaining the public trees that the City already has. Additionally, we desperately need increased staffing to ensure that trees that impose a serious hazard to residents are managed in a timely fashion reducing a threat of injuries to Oakland residents and reducing a liability for the city. Since funding for new trees is being addressed by grants provided to volunteer organizations, the City must begin to restore some of the lost staffing and budget for equipment and supplies. *I would like to see 2 additional FTEs added to the Tree Division.*

Since Park & Trees Services in general is significantly funded via the LLAD, similar deficiencies exist for park maintenance. The City should work to restore this funding gap as well.

5. Protecting and Enhance Funding for Public Library Services:

- (1) No cuts in current service levels; Restore a sixth day to 4 branches in FY18-19**
- (2) Funding for supporting 2018 ballot measure with goal of increasing hours of Service**

Libraries are the great equalizers of our society. Our public libraries offer tremendous programs and services for all Oaklanders, especially our youth. However, our branch hours have been cut back over the past several years. At a minimum, we need to protect the level of service we are currently offering. In addition, *I support the City Council placing a measure on the November 2018 ballot that adds to the existing funding provided by Measure Q.* Initially, this entails the budgeting for the expense of conducting that election as well as preliminary polling during the measure crafting phase.

6. Increase Compensation for City Job Classifications that are Significantly Below Market

If Oakland's City staff compensation rates do not stay competitive with other cities and jurisdictions, Oakland becomes at risk of losing existing talent and having difficulty in recruiting new talent. In order to help ensure that Oaklanders have access to highest quality provision of City services, we need to increase the compensation rates for City job classifications that are *significantly* below market. *The Administration should identify those classifications and proceed with budget adjustments accordingly.*

7. Neighborhood Planning Pilot Program

I am requesting that some one-time funds to be used to contract for a planning expert to conduct a neighborhood planning pilot program in two Oakland neighborhoods. Both of these could be in historically economically disadvantaged areas. Given the recent preliminary work performed by neighborhood residents, I am requesting that one of these locations be in the western area of North Oakland and another be in a different Council district.

Revenues:

In addition to general purpose fund expenditure priorities, we need to take seriously the data presented in the recent Budget Priorities public opinion poll commissioned by the city administration that clearly indicated an overwhelming majority of Oakland voters would prefer to raise additional revenue rather than cut vital city services, even more so than 2015 when similar results were shown. Amongst the increased revenues that Oakland should pursue are the following:

- (i) I support placing on the November 2018 ballot a measure to replace Oakland's flat Real Estate Transfer Tax rate with a graduated scale that increases for higher value properties, similar to what exists in San Francisco. Though this can be a volatile revenue source, Oakland would have realized millions of dollars in increased general fund revenue had this been passed years ago.
- (ii) An addendum issued this past January to Easy Bay Housing Organization's 2015 report on Short Term Residential Rentals (STRRs) recommends that the City not only collect the full 14% Transient Occupancy Tax (TOT) from STRR businesses but also allocate most of that additional TOT to the City's Affordable Housing Trust Fund. I endorse this approach.
- (iii) Enhanced parking enforcement (especially RPP enforcement)

Additional expenditure priorities:

My additional priorities include:

- (i) Promoting policies that support housing affordability;
- (ii) Addressing staffing shortages in Animal Services;
- (iii) Ensuring that a significant portion of funds from our new infrastructure bond measure address pedestrian safety needs throughout our city; and
- (iv) Continue funding the city's portion of our joint partnership with OUSD to reduce chronic absenteeism in our public elementary schools.

In addition, there are number of recent or pending staff reports that highlight other funding needs that I consider important:

(v) A report requested by Councilmembers Kaplan, Kalb and Guillén, on the elements of a Public Bank feasibility study will soon be issued. We must ensure that sufficient one-time funds are available in order for the Council to actually be able to opt to conduct a robust feasibility study.

(vi) A report that I requested on "The Status Of The City's Compliance With The Municipal Regional Stormwater Permit's July 1, 2017 Deadline For A 70% Reduction In Stormwater Drain Trash And Recommendations For Achieving That Requirement" is scheduled to be issued this month. It appears that the City will likely fail to meet this mandatory requirement of the state water board, so we must take steps to fund necessary compliance efforts.

(vii) The Tenant Protection Ordinance (TPO) that I authored and that was passed by the City Council in 2014 includes a private right of action remedy for tenants. Last year, President Pro Tempore Guillén and I submitted a scheduling item for a report by the Administration on

adding an administration remedy program for enforcement of the TPO. This report remains pending. We anticipate that an administrative program report will not only entail options for future legislative changes but also the development of a new program and related expenses for additional staff and other costs. Our budgeting should strive to anticipate this.

(viii) The Council has received various reports over the years regarding the problem of illegal dumping. I support enhanced funding for enforcement strategies, including expanding the camera pilot program.

(ix) In January, staff presented a report that I requested regarding problems with processing Residential Parking Permit zone applications and with RPP enforcement. To the extent that these problems exist due to limited staff resources, the City must take steps to ensure that offered services can be delivered as expected by the public and that enforcement (which effectively pays for itself) is adequate.

I look forward to hearing from residents and engaging with my colleagues to craft and adopt a final FY 2017-19 budget for Oakland.

A handwritten signature in black ink that reads "Dan Kalb". The signature is written in a cursive, flowing style.

Dan Kalb
City Councilmember, District 1