



EXHIBIT 3 - BUDGET POLICY DIRECTIVES

Updated June 24, 2021

Council President Bas, Councilmember Fife, Councilmember Gallo and Councilmember Kalb

FY 2021-2023 BUDGET POLICY DIRECTIVES

The following policy directives will ensure our City effectively implements the Council's budget priorities. The City Administration shall provide a status report and timeline for implementation on all adopted FY 21-23 budget policy directives along with a status update on the budget policy directives from the FY 2019-21 adopted budget to the Council's Finance Committee no later than October 2021. In addition, the City Administration shall provide an informational report on the status of each of these items below at the second Council meeting in April 2022, in order to prepare for the mid-cycle budget process in June 2022.

- 1. Instill Equity in the Budgeting Process** -- The City Administrator shall (1) review past practices, to evaluate the extent to which and the manner in which those past practices instilled equity in the budgeting process, including but not limited to securing input from the Council and the Department of Race and Equity ("Department") pursuant to OMC Chapter 2.29.170 which declares the City policy that the City of Oakland will intentionally integrate, on a Citywide basis, the principle of "fair and just" in all the City does in order to achieve equitable opportunities for all people and communities, consider equity and social justice impacts in all decision-making so that decisions increase fairness and opportunity for all people, particularly for people of color, low-income communities and people with limited English proficiency or, when decisions that have a negative impact on fairness and opportunity are unavoidable, steps are implemented that mitigate the negative impacts; and (2) incorporate these goals into our next biennial budget processes including, without limitation, in creating budget documents.¹ This includes addressing the distribution of city resources to flatlands neighborhoods in the Fruitvale, Central, East and West Oakland, as well as Central Oakland neighborhoods including Chinatown, Eastlake/Little Saigon, San Antonio, Allendale, and Fairfax.
- 2. Process for Direct Allocations of Grants to Organizations from the Council** -- Direct City Administrator to create a process for when the Council makes direct allocations for grants for

¹ Under Ordinance No. 13319 C.M.S. (codified at OMC Chapter 2.29.170), the establishment of the Department of Race and Equity was to improve our ability to "consider equity and social justice impacts in all decision-making so that decisions increase fairness and opportunity for all people" and the Ordinance specifically names "budgets" as one of the ways the City Administrator shall apply equity and social justice foundational practices.

Council consideration by April 2022. This process shall ensure alignment with Council priorities and evaluation for the allocation of future grant resources directly by Council.

AFFORDABLE HOUSING AND HOMELESSNESS SOLUTIONS

- 3. Prioritize State, Federal and Other Funding for Preservation and Development of Affordable Housing and Homelessness Solutions** -- To the extent that additional federal and state funds become available for affordable housing and homelessness solutions, the City shall prioritize the following:
- **Homekey** - Acquisition and rehabilitation of buildings to be used to provide housing for Oakland's homeless population and those at risk of homelessness along with necessary services for those in need.
 - **Permanent Affordability Program** - Replenish the Acquisition and Conversion to Affordable Housing (ACAH) Fund to \$12 Million to help with acquiring and rehabbing community land trust housing and limited equity coops as permanent affordable housing, as funding allows.
 - **Interim Housing Interventions** - Capital and Operating funds for creating interim housing interventions for our homeless residents in each council district, prioritizing use of public land, along with necessary services for those in need.
 - **Affordable Housing Construction NOFAs** - Additional funding to leverage available tax credits and help finance new affordable housing.
 - **Keep Oakland Housed** - Additional funding for Homelessness Prevention services, including emergency rental assistance.
 - **Preservation of Naturally Occurring Affordable Housing (NOAH)** - Assist affordable housing nonprofits to purchase older apartment building to create and preserve affordability for the units in these buildings, as funding permits.
 - **First-time Homebuyers Loan Assistance** - Increase funds for our local mortgage assistance programs.
- 4. Prioritize State Funding for Development of Housing for Transitional Aged Youth (TAY)** - In coordination with the Oakland Unified School District, direct City Administration to allocate at least \$5 million of state affordable housing funding for the development of the Career Technical Education Hub at 1025 2nd Avenue, Oakland, for TAY Housing, which is a partnership with the Oakland Unified School District and will house approximately 100-150 TAY in this safe and neutral location.²

² Transition Aged Youth (TAY) are youth ages 16-24 who are in transition from adolescence to adulthood, youth transitioning out of foster care or juvenile detention facilities, youth who have run away from home or dropped out of school, and youth with disabilities. TAY in Oakland are disproportionately Black, brown and LGBTQ, and face a number of unique challenges related to education, employment, housing, and mental health. Each year, more than 350 Oakland students drop out / are pushed out of school. The numbers of unhoused TAY have dramatically increased since COVID -19.

5. **Policy Changes to Increase the Impact and Feasibility of Occupied Acquisition-Rehab --** Direct City Administrator to fund and identify staff to streamline funding, project approval, contract compliance, and operations for acquiring unsubsidized affordable housing occupied by low and moderate-income residents and preserving it as permanently affordable housing. This includes working with the support of the City Attorney, the Oakland Preservation Collaborative, a network of nonprofit affordable housing providers, tenant advocates and community land trusts, to develop an appropriate definition for what is considered “minor” and “major” rehab for acquisition-rehab and other systems improvements.³
6. **Rent Adjustment Program (RAP) and Rental Registry --** Direct City Administrator to present a staff report and ordinance to the Council for consideration no later than May 2022 to create a rental registry. Secondly, the City Administrator shall complete an independent Master RAP fee analysis to determine the efficacy of a program fee increase by January 2023.
7. **Establishment of the Homelessness and Encampment Management Response Task Force --** Direct City Administrator to establish an interdepartmental task force, to develop comprehensive strategies, standardized operations, and services (including but not limited to established interventions providing outreach, human services, safety, sanitation, trash, traffic, infrastructure use, etc.) in response to the conditions of homelessness in the City rights of way.

PUBLIC SAFETY AND VIOLENCE PREVENTION

8. **Independent Audit of Police Department --** Direct the Police Commission Inspector General to complete an independent, comprehensive audit of the Police Department, by December 2022, and to provide a report to Council outlining the scope of the audit prior to its initiation.⁴

³ This includes ensuring that projects are funded and advanced quickly enough to meet the demands of a fast-paced real estate market where tenants and community-based organizations struggle to compete. For example, the City should differentiate between projects that include “major rehab” and those that have minimal rehab scopes aimed at addressing deferred maintenance and immediate health and safety issues. Where possible, language in City loan agreements around disbursement, contract compliance, and insurance requirements should be modified to better fit the types of work being undertaken and the process required to actually complete that work (e.g., minimal permitting and architectural needs, hiring small vendors vs. General Contractors, etc.).

⁴ The audit shall include, but not be limited to, an in-depth analysis of calls for service data, an accurate time study for officers on patrol, and special units including Ceasefire, Investigations, Special Events, Felony Assault, Homicide, and Special Victims, and a detailed assessment of performance and clearance rates to measure how resources are being used and the effectiveness of those resource allocations to inform the analysis of the second phase of Reimagining Public Safety. Recommendations shall include, but not be limited to, diverting certain non-violent and non-criminal calls for service to alternative responses and focusing resources on violent and serious crime response, investigation and deterrence.

9. Police Department Calls for Service -- Direct City Administrator to present recommendations and a work plan for Council consideration by April 2022 for the additional transfer of certain categories of non-violent, non-criminal calls for service from the Police Department⁵ to alternative first responders, including the Fire Department, Departments of Transportation, Violence Prevention, Public Works, etc., for effectuation by July 2022. For the Dept. of Transportation, this should include an analysis of the towing contract currently administered by the Police Department and the nine (9) traffic-related calls in the following list provided to the Reimagining Public Safety Task Force.⁶

TABLE 36: Average Response Time Components for Alternative Response Calls, by Description and Category

Type Code	Description	Category	Count	Dispatch	Travel	Response
160B	VEH PARKED IN SIGNED	Traffic related	664	64.7	14.9	79.6
162	BIG RIG PARKED IN RE	Traffic related	5	100.5	13.3	113.8
261KIT	PICK UP 261 KIT	Crime against person	40	180.0	20.8	200.8
374	DUMP WASTE OR OFFENS	Property crime	11	108.5	10.2	118.7
415FC	415 FIRECRACKERS	Disturbance	52	76.6	5.8	82.4
5150	MENTALLY ILL	Mental health	2,424	99.2	9.7	108.9
594	VANDALISM	Property crime	262	111.8	9.4	121.2
601PU	PICK UP	Juvenile	41	119.0	10.8	129.9
601R	RUNAWAY	Juvenile	301	127.3	14.5	141.7
901	VEHICLE COLLISION/PR	Accident	1,085	92.0	8.9	100.9
905	ABANDONED AUTOMOBILE	Blight	14	79.9	8.6	88.5
913TH	SUICIDE THREATS	Mental health	302	91.7	10.5	102.2
946	TOW REQUESTED	Miscellaneous	73	91.1	13.1	104.2
955	ANIMAL-STRAYING	Animal	6	43.9	9.6	53.5
955B	BARKING DOG	Animal	1	333.0	38.7	371.7
955E	ANIMAL BITE	Animal	14	48.4	10.4	58.8
955F	INJURED ANIMAL	Animal	6	40.4	14.0	54.4
968	DEAD ANIMAL PICK UP	Animal	4	30.1	11.3	41.4
970	AUTO IMPROPERLY PARK	Traffic related	156	143.5	11.0	154.5
970A	VEHICLE PARKED ON SI	Traffic related	200	157.1	10.3	167.4
970B	AUTO BLOCKING DRIVEW	Traffic related	2,499	140.0	12.4	152.4
970C	AUTO IN RESTRICTED ZO	Traffic related	249	141.9	12.4	154.3
973	TRAFFIC CONTROL POST	Traffic related	38	30.9	12.9	43.8
ACU	ANIMAL CONTROL UNIT	Animal	11	39.0	11.6	50.6
CRSARM	CROSSING ARMS DOWN	Traffic related	3	42.0	22.7	64.6
ENCMP	HOMELESS ENCAMPMENT	Assist citizen	271	132.7	10.4	143.0
EVAL	EVALUATION	Mental health	1,419	123.4	9.6	133.0
FNDPRO	FOUND PROPERTY	General inquiry	210	177.0	12.7	189.7
LPROP	LOST PROPERTY	General inquiry	1	0.2	5.0	5.2
SIGNAL	SIGNALS-MALFUNCTIONI	Traffic related	28	46.6	9.5	56.1
TEC	TEC CALL	Miscellaneous	59	176.7	24.9	201.5
Total			10,449	115.4	11.1	126.5

⁵ Nonviolent, non-criminal calls for service make up approximately 75% of calls for service to the Police Department.

⁶ “Police Data Analysis Report, Oakland California,” Center for Public Safety Management, LLC; Oakland Reimagining Public Safety Task Force, available at <https://www.oaklandca.gov/documents/calls-for-service>.

10. Police Department Academies -- Receive an informational report by October 2021 including, but not limited to, demographics, graduation rates, retention rates, outreach efforts, and recommendations for improvement to address the 44.7% completion rate of the Police Department Academies. This may include Recommendation 37 from the Reimagining Public Safety Task Force, which creates a collaborative and multidisciplinary approach to crisis response using cross functional teams.

Academy	Academy Recruits at Start	Academy Recruits Graduated	Completed FTO
180th Academy	34	22	16
181st Academy	33	25	15
182nd Academy	39	23	14
183rd Academy	43	28	24
184th Academy	42	23	17
185th Academy*	39	23	TBD*
Average Per Academy	38	24	17

11. Second Phase of Reimagining Public Safety to Include Restructuring of Police Department to Focus on Serious and Violent Crime -- Direct City Administrator to return to Council by January 2022 for direction on a scope of services and contract approval for an independent consultant to conduct a study and provide a report on restructuring Oakland Police Department to include analysis of the Police Department to focus on serious and violent crime by operationalizing the shifting of resources from enforcement and punishment to prevention, wellness and alternative responses for integration in the fiscal year 2023-2025 budget. This includes raising additional private funds if needed. The study shall include input from community stakeholders that is transparent and trauma-informed and take into account the Council’s following priorities, providing a report to Council outlining the scope of the study prior to its initiation.

11a. Increase Capacity to Investigate and Solve Crimes and Produce Higher Clearance Rates on Homicides, Missing Persons, and Other Serious Crimes by Restructuring Investigations Units -- Analyze possible increase in civilian personnel assigned to investigations and other specialized units (including possible new classifications) and concomitant decrease in assigned sworn officers in the following units/positions for greater effectiveness and cost savings:

- Evidence Unit
- Property Evidence Specialist Unit
- Sex Registrants and ID Section
- Patrol Desk in the Police Administration Building

- Patrol Desk at the Eastmont Substation
- Supervision of the Homeless Outreach Unit
- Internal Affairs Division
- Transportation Lot
- 911 Call Center
- Traffic Enforcement

11b. Remove Low Level and Non-Violent Calls for Service from the Police Department --

Provide detailed analysis and recommendations for operationalizing the removal of low-level, non-violent calls for service from the Police Department’s responsibilities and options for an alternative response. Low-level, non-violent calls for service include what the Police Department classifies as “Administrative, Animal-related, Homeless, Mental Health, Noise-related, Ambulance Requested, and Other.”⁷

12. Significantly Stand Up MACRO As An Effective Alternate Response System as First Responders to Non-Violent Calls for Service --

Prioritize available state and other funding for alternative response systems, including funding through Assembly Bill 988, which creates a new three-digit phone line for suicide prevention and immediate, localized emergency response for individuals in mental health crisis by trained mental health professionals, as well as available federal matching, the CRISIS Act funding for community based organizations, and in partnership with Alameda County.

12a. Advisory Board for MACRO --

Direct City Administrator to ensure meaningful, ongoing community participation in the development and implementation of MACRO, including participation with the MACRO Advisory Board described in Resolution 88553 C.M.S., that will serve as an advisory partner to the Oakland Fire Department in developing the MACRO civilian crisis response.

13. Department of Violence Prevention (DVP) Alternative Safety Plan and Community Violence Prevention Infrastructure --

Direct City Administrator to return to Council with recommendations for an RFQ by October 30, 2021 with a proposed set of strategies and spending plan for the additional funds allocated to the DVP through this Budget that is sustainable for the 3 year spending cycle.⁸

⁷ See Police Data Analysis Report, Oakland CA by Center for Public Safety Management LLC (<https://cao-94612.s3.amazonaws.com/documents/CPSM-Oakland-CFS-Report-Dec-2020.pdf>) Include a transition plan for certain traffic enforcement responsibilities from the Police Department to the Department of Transportation.

⁸ DVP is already scheduled to present its plan to the Public Safety Committee on July 13, 2021. The plan shall work towards creating a community safety presence at scale and include identification of neighborhoods and business districts to focus on, Fund balance at the end of each fiscal year shall remain in DVP for spending in the next year.

- 14. Internal Affairs** -- Direct City Administrator to analyze options and timeline for moving most or all of the responsibilities of the Internal Affairs Division to the Community Police Review Agency (CPRA).
- 15. Crime Prevention Through Environmental Design (CPTED)** -- Direct City Administrator to prioritize implementation of recommendations from CPTED analysis, particularly in flatlands neighborhoods, business corridors and beats with high rates of serious and violent crimes, and provide an informational report to Council by December 2021 on these efforts. This is in alignment with Recommendations #78 and #79 from the Reimagining Public Safety Task Force. This includes improved lighting, traffic calming and other environmental design. Where these measures would help deter crime and promote community safety, they should be expedited. Examples of CPTED and traffic calming measures to analyze include but are not limited to: (D7) intersection of 101st Ave and International Blvd and (D2) E 15th St between 15th Ave and 23rd Ave where human trafficking occurs.
- 16. CERT/Emergency Preparedness** -- Direct City Administrator to conduct extensive outreach and recruitment to residents in underrepresented communities and areas that are at high wildfire risk for Oakland's Community Emergency Response Team (CERT) training program.
- 17. Vegetation Management/Wildfire Prevention** -- Direct City Administrator to work with City Council on preparing a Wildfire Assessment ballot measure for voter consideration to help ensure that the City of Oakland can be best prepared to reduce the risk of wildfires in our city.
- 18. Youth and Families** -- Direct City Administrator to conduct an analysis and provide feasible options and timeline for the creation of a department dedicated to youth and families in a proposal for Council consideration by April 2023 that moves youth-focused funding primarily from the Police Department and Human Services Department, that aligns the Police Department, Youth Advisory Commission, Oakland Fund for Children and Youth, and Community Youth Leadership Council, to enable effective resourcing for centering youth leadership, empowerment, and opportunities at scale.

GOOD JOBS AND A VIBRANT ECONOMY

- 19. Support Small Businesses with Re-Opening** -- Target Economic and Workforce Development support for facade improvements, repairs, flex streets support, including parklets, among other support, to small and disadvantaged businesses in flatland neighborhoods throughout our city with particular attention to commercial neighborhoods in the Fruitvale, Chinatown, East Oakland, and West Oakland. Include multilingual technical assistance, including Spanish, Chinese, and Vietnamese.

- 20. Department of Workplace and Employment Standards (DWES) Staffing to Enforce Worker Protections** -- Direct City Administrator to present a staff report and resolution to Council no later than May 2022 for consideration of the creation of new classifications, or amending existing classifications in accordance with the City's Personnel Rules for submission to the Civil Service Board, for the positions tasked with enforcing the City's Minimum Wage Ordinance, Worker retention at Large-Scale Hospitality Ordinance, Hotel Minimum Wage and Working Conditions Ordinance, the Emergency Paid Sick Leave Ordinance, the Worker Retention Ordinance, Local Employment Program, 15% Apprenticeship Requirement, any other laws under the purview of the Workplace Standards Enforcement Division of DWES.
- 21. Cultural Affairs programs** -- Direct the City Administrator to return to Council with recommendations for distribution of program funds by October 31, 2021 after considering input from the Cultural Affairs Commission and consideration of Council guidance to focus on flatlands neighborhoods below 580 (including East Oakland, West Oakland, Fruitvale, Chinatown, Little Saigon/Eastlake, San Antonio, Laurel, Brookdale) with equitable distribution across Council Districts.
- 22. Parks** -- Direct the City Administrator to collaborate with neighborhood community groups to maximize programming to activate and utilize parks by creating community-based partnerships at Oakland's parks and rec centers. Prior to the re-opening of the San Antonio and Brookdale Recreation Centers, the City Administrator shall secure input from community groups in the neighborhood around-programming.

CLEAN, HEALTHY, AND SUSTAINABLE NEIGHBORHOODS

- 23. Infrastructure Bond Ballot Measure** -- Direct City Administrator to conduct analysis and community engagement regarding a possible new Infrastructure Bond ballot measure in 2022 for public infrastructure and affordable housing.
- 24. Lead Abatement and Other Programs to Promote Healthy Homes** -- In partnership with Alameda County, invest resources into healthier communities by supporting abatement of lead, asbestos, and other negative environmental factors in homes and neighborhoods.
- 25. Lake Merritt and City Parks** -- Extend current Lake operations through November 28, 2021. Direct City Administrator to develop a plan and timeline with stakeholder input, to phase out City Department Teams and phase in Parks Ambassadors and other alternatives to address safety and community at Lake Merritt. This plan shall also include follow up from the May 25, 2021 joint meeting of the Life Enrichment Committee, Parks & Recreation Advisory Commission and

Cultural Affairs Commission to develop programming across the City in our parks and public spaces with accessible permitting and marketing, and to develop community agreements for our parks and public spaces with plans for implementation such as parks/community ambassadors and event monitors.

- 26.** Direct City Administrator to present an analysis and options for consideration to pre-allocate a portion of assessed but not yet collected Affordable Housing and Jobs/Housing Impact Fees to pending affordable housing projects before the funds are collected by the City to help provide needed funds for affordable housing construction. This report shall be presented to the Council for consideration no later than September 2021.
- 27.** Because the current upfront payment structure inhibits participation by less capitalized businesses, the City Administrator shall develop a plan to retool current and future Façade Improvement funding Programs to reduce or eliminate the burden of up-front payment for property owners and business owners.

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