



## MEMORANDUM

**TO:** Honorable Mayor & City Council

**FROM:** Adam Benson  
Director of Finance

**SUBJECT:** FY 2020-21 Midcycle Budget  
Development Questions/Responses #3

**DATE:** June 9, 2020

### PURPOSE

The purpose of this memorandum is to transmit to the full City Council and public, responses to questions raised by City Councilmembers related to the Fiscal Year (FY) 2020-21 Proposed Midcycle Budget. To the extent additional information becomes available on any of the responses below, updates will be provided.

### QUESTIONS AND RESPONSES

**1) What options exist now for allowing community gardens on city-owned property? What would be needed to expand community gardens? [Kaplan]**

There are 16 Community Gardens associated with Oakland Recreation Centers (listed below) and facilities with 300 plots used by community members.

1. Allendale Park Community Garden, 3711 Suter St.
2. Arroyo Viejo Park, 79th Ave. and Arthur St.
3. Bella Vista Park Community Garden, 11th Ave. and East 28th St. (by Bella Vista Elementary School)
4. Bushrod Park Community Garden, 584 59th St.
5. Dover Street Park Community Garden, Dover St. between 57th and 58th (with Phat Beets Produce)
6. Fitzgerald Park Urban Farm Volunteer, 34th St. and Peralta St. (with City Slicker Farms)
7. Golden Gate Community Garden Rental, 1068 62nd St.
8. King Estates Community Garden Volunteer, 8251 Fontaine St. (with People UnitEd for a Better Life In Oakland-PUEBLO)
9. Edible Demonstration Gardens at Lake Merritt Volunteer, 666 Bellevue Ave.
10. Marston Campbell Park Youth Garden Volunteer, 16th St. and Market St. (with Oakland Based Urban Gardens (OBUGS), by Lafayette School)
11. Mosswood Community Garden, Intersection of MacArthur Ave. and Webster St.
12. San Antonio Park Community Garden, 16th Ave. and East 19th St.
13. Stonehurst Edible Schoolyard Volunteer, 901 105th Ave. (with Stonehurst Edible Schoolyard)
14. Tassafaronga Park, 83rd and E St. (with Acta Non Verba youth Urban Farm Project)
15. Temescal Community Garden, 876 – 47th St.
16. Verdese Carter Park Community Garden, 96th Ave. & Bancroft Ave.

The following are Community Garden Partners who help manage community gardens:

- Acta Non Verba at Tassafaronga Park Urban Farm
- City Slicker Farms at Fitzgerald Park Urban Farm
- Oakland Based Urban Gardens (OBUGS) at Marston Campbell Park Youth Garden
- People UnitEd for a Better Life In Oakland (PUEBLO) at King Estates Community Garden
- Phat Beets Produce at Dover Street Park Community Garden
- Stonehurst Edible Schoolyard at Esperanza Elementary School and Korematsu Discovery Academy

OPRYD currently has one Recreation Specialist II, PPT (Permanent-Part Time) and one Park Attendant Part Time to oversee 16 Community Gardens, which are not sufficient to oversee the city-wide community gardens program.

To properly oversee and expand the Community Gardens program, OPRYD would propose adding to 2 Program Directors (1 for East Oakland gardens, and 1 for West Oakland gardens) and 6 Park Attendant Part Time positions. The costs for the added positions is estimated at roughly \$310,000. The cost estimate is inclusive of deleting the current Rec. Specialist II, PPT, which is not sufficient to manage current Community Gardens programming.

<b>Classification</b>	<b>FTE</b>	<b>Budget</b>
Program Director (East)	1.00	\$108,731
Park Attendant, PT	0.50	\$32,161
Park Attendant, PT	0.50	\$32,161
Park Attendant, PT	0.50	\$32,161
<b>East Oakland Subtotal</b>	<b>2.50</b>	<b>\$205,214</b>
Program Director (West)	1.00	\$108,731
Park Attendant, PT	0.50	\$32,161
Park Attendant, PT	0.50	\$32,161
Park Attendant, PT	0.50	\$32,161
<b>West Oakland Subtotal</b>	<b>2.50</b>	<b>\$205,214</b>
Delete Spec. II, PPT	(1.00)	(\$101,292)
<b>Community Gardens Total</b>	<b>4.00</b>	<b>\$309,136</b>

With regards to creating new community gardens on City-owned parcels, Real Estate Services in EWD can help facilitate the process by evaluating whether the parcel is suitable to be leased for that purpose. The challenge is first finding appropriate City parcels that are not suited for housing or commercial development or commercial leasing. If the city-owned parcel is deemed appropriate for a community garden, soil testing for possible contamination and establishing water service for irrigation would be required.

There is also the Adopt-a-Spot program that is administered by Environmental Services in OPW. After the community garden is established by a community group and they want to promote it with the community to invite volunteers, Adopt-a-Spot can help with such efforts. This typically applies to non-City-owned properties, but can be applied to City-owned properties as well.

**2) Measure Q Follow-up - Maintenance of Effort, Parks Maintenance**

**One of the primary goals of measure Q was to address the city’s approx. \$8 million funding gap Parks maintenance. The amount generated from the 55% specified in the MOE for Measure Q (Fund 2244) is about \$7 million dollars, leaving about \$1 million dollars to fund with funds other than LLAD (2310) or Measure Q (2244).**

**We remain concerned that there is a bona fide source for the City's approximately \$1 million contribution to the funding gap. The City's responses to our previous letter indicate that the gas tax fund will make this contribution.**

**Please confirm and clearly specify the amount of the gas tax funds that will indeed contribute (approx. \$1 million +) towards Measure Q – eligible services. [Measure Q Co-Chairs Levin & Bliss]**

The Proposed Budget includes approximately \$1.0 million in ongoing funding for streetlighting from the Gas Tax Fund.

**3) Measure Q Follow-up - Maintenance of Effort, Homelessness Services [Measure Q Co-Chairs Levin & Bliss]**

**City Response #24 & #35 indicates that \$1,497,000 in General Fund will be retained in the Human Services Budget.**

**Please confirm the total FY 2020-2021 Budget amount for homelessness services. [Measure Q Co-Chairs Levin & Bliss]**

Staff confirms that there will be \$1,497,005 in ongoing funds in the GPF (1010) retained in the HSD budget in the Community Housing Section for Homelessness Services.

**4) Measure Q Follow-up - Administrative Costs**

**City Response # 26 & 37 does not fully address the concerns that the Measure Q Committee has with the proposed mid-cycle budget and seems to exceed 1% maximum administrative costs described in Measure Q. These responses state that the costs of a Business Analyst II and Auditing Services would be within the 1% maximum, or \$221,546. However, the Mid-cycle budget seems to include additional administrative positions that are not "required to implement the services and programs in Part 1, Section 3 (B) (1)-(3). The list of additional positions that are not direct service are below:**

- **0.50 FTE Human Resources Director and 0.33 Human Services Manager: \$270,555**
- **1- FTE Administrative Assistant II OPW: \$129,110**
- **Transfer from 2270- 1-FTE Administrative Assistant II Human Services: \$117,765**
- **Transfer from 2270- FTE Budget & Grants Administrator: \$195,555**

**The annual costs of these positions total \$712,985 and the total of all administrative positions is \$934,531, which is in excess of the maximum 1% allowed.**

**Please consider reducing the total of administrative costs to 1% of total revenue, or about \$235,000 total costs. [Measure Q Co-Chairs Levin & Bliss]**

The Human Services Manager 0.50 FTE, and Director of Human Services 0.33 FTE will be moved out of Measure Q Fund (2244) in Errata 2, which will be presented to Council on June 16. The Business Analyst II is indeed included in the 1% for Audit and Evaluation. The Administrative Assistant II's in OPW and HSD and the Budget and Grants Administrator are new positions that are needed to implement the services and programs related to Parks Maintenance and Homelessness Services.

**5) Measure Q Follow-up – Service Level Deliverables**

**Your May 29, 2020 response memo indicates that there will be 7-8 locations that will have dedicated staff, and that the parks will be designated on an equity standpoint. However, we submit that the total number of locations is 18, per the Measure Q text.**

**The language in Measure Q:**

**“Providing staff at major parks. “Major Parks” means City operated Community Parks, Region-serving parks, and Resource Conservation Areas, as those are terms used in the Open Space Conservation & Recreation(OCSAR) Element of the Oakland General Plan.” Section (2 (B) (m)**

- **Community Serving Parks:**
  - Mosswood
  - Bushrod
  - DeFremery
  - San Antonio
  - Brookdale
  - Brookfield
  - Arroyo Viejo
  - Montclair
  - Dimond
- **Region Serving:**
  - Lakeside
  - Joaquin Miller (part)
- **Resource Conservation Areas:**
  - Glen Daniel/King Estates
  - Dimond Canyon
  - Garber
  - Beaconsfield
  - Claremont Canyon
  - Joaquin Miller (part)
  - Leona Heights/Open Space

**Assure alignment of the Park Services work plan to include the dedicated staff at all location as shown above. [Measure Q Co-Chairs Levin & Bliss]**

OPW met with the co-chairs of the Measure Q committee on Monday June 1. Based on this meeting, OPW is developing a staffing plan that will comply with the language and intent of the measure with the resources allocated by the measure.

**6) Measure Q Follow-up - Accountability**

**The Measure Q Committee requests that the Parks & Recreation Advisory Commission (PRAC) be designed along with the Homeless Commission for citizen oversight of this Measure. [Measure Q Co-Chairs Levin & Bliss]**

There is a staff report under development that would assign oversight to the Parks & Recreation Advisory Commission (PRAC). The City Council has authority to decide which body or bodies is/are designated to oversee the measure.

**7) We also object to funding a full half of the Human Services Administrator position, when Measure Q activity would fund only something like 5% of the department's budget. We consider this an administrative expense, not direct services to homeless people under Measure Q, especially considering the relatively small amount of money Measure Q is going to generate for these services. The intent of Measure Q is to provide additional homeless services, not to backfill a shortage in an extant department. [Measure Q Ballot Campaign Committee, ShelterOak, Homeless Advocacy Working Group, Measure W Sponsor]**

This position will be moved out of Measure Q Fund (2244) in Errata 2 that be heard by Council on June 16.

- 8) **Additionally, we do not fully understand the attribution of other administrative personnel to homelessness services. Specifically, which of these are administrative, and do any of them contribute to providing services to homeless residents?**
- **0.50 FTE Human Resources Director and 0.33 Human Services Manager: \$270,555**
  - **1- FTE Administrative Assistant II OPW: \$129,110**
  - **Transfer from 2270- 1-FTE Administrative Assistant II Human Services: \$117,765**
  - **Transfer from 2270- FTE Budget & Grants Administrator \$195,555**
- [Measure Q Ballot Campaign Committee, ShelterOak, Homeless Advocacy Working Group, Measure W Sponsor]**

The Human Services Manager 0.50 FTE, and Director of Human Services 0.33 FTE will be moved out of Measure Q Fund (2244) in Errata 2, which will be presented to Council on June 16.

The newly created Administrative Assistant II position in Human Services will provide staff support to the newly established Homeless Commission. The Commission will provide advisory review of the expenditures under both Measures Q and W. The position will also support program implementation of projects funded under these measures.

The Budget and Grants Administrator in Human Services is required to manage, reconcile, and assist with payments processing for community partner organizations that will be delivering homelessness services. In order to effectuate a services delivery model which partners with community organizations, Human Services needs additional capacity to ensure that payments to said organizations are made timely and in accordance with Measure requirements and the provisions of prospective grant agreements. The Administrative Assistant II (AA II) in OPW is responsible for assisting the division Manager and Tree Supervisor in addressing tree issues such as public records requests, and budgeting issues (budget change request BCR). In addition, the AAI will assist with Measure Q implementation which includes onboarding of new staff, gathering quotes for equipment, and ensuring all personnel issues are documented.

- 9) **How do the Mid-Cycle expenditure adjustments relate to the "Maintenance of Effort" standard for homelessness? Please explain. [Measure Q Ballot Campaign Committee, ShelterOak, Homeless Advocacy Working Group, Measure W Sponsor]**

See answer to question 3.

- 10) **Measure Q Follow-up - Homeless Services**  
**Remove the funding for 3-FTE OPD Officers (\$905,562) from the Human Services Measure Q (fund 2244) funding. There are no program items listed in the Ballot Measure to provide for this funding. [Measure Q Co-Chairs Levin & Bliss]**

See answer to question 11, below.

- 11) **We object strenuously to the funding of three full-time police positions with benefits and including overtime from Measure Q proceeds, in the homelessness portion of the measure. Nowhere is policing described in the measure. How would such positions assist in the provision of homeless needs and services as specified in the ballot measure? Please remove. [Measure Q Ballot Campaign Committee, ShelterOak, Homeless Advocacy Working Group, Measure W Sponsor]**

The OPD unit proposed to be funded by Measure Q provides primary security for homeless encampment clean up and removal. Providing dedicated funding to this unit would institutionalize the services that are provided. These positions are Crisis Intervention trained. OPW, certain Community Based Organizations (CBOs), and the Alameda County Mental Health Services units, will not perform these functions unless OPD is present. Specifically, the OPD unit will:

- Coordinate security for clean-up of encampments,
- Provide security to CBOs as they deliver services in encampments,
- Provide security to Alameda County Mental Health Services as they deliver services in encampments

**12) Tow fee policy for inhabited vehicles, stolen vehicles – do we have a fee waiver policy, or could/should we?**

When a vehicle is deemed to be towed in error, the City of Oakland’s Administrative Hearing Officer may waive fees. Appointments for hearings are made with Hearing Officers who are assigned to the City’s Parking Division. Tow hearing information is mailed out to the registered and legal owner along with notice of the tow by OPD’s Records Division. Information regarding searching for towed vehicles and how to request an administrative hearing is located on the City’s website for the public.

CID and Traffic have the ability to approve evidence waivers for vehicles that are towed as part of an investigation.

**13) Measure Q – more information on OPD unit [Kalb]**

See answer to question 11.

**14) Homelessness – provide cost to build 4,000 housing units [Reid]**

While housing is the solution to homelessness, there is not a single pathway for those 4000 homeless individuals to prevent or end their homelessness. As part of the 2019 PATH framework, Oakland specific data analysis and system modeling estimated that twenty percent of people could have their homelessness prevented and thirty percent of people need a Rapid Rehousing intervention (short term subsidies) to end their homelessness. Thirty-five percent of people need deeply affordable housing for extremely low income (ELI) people to end their homelessness. Fifteen percent need permanent supportive housing (PSH), deeply affordable housing coupled with intensive services, to end their homelessness.

Modeling also shows that approximately 30% of the PSH and ELI units require capital costs for new construction and/or rehabilitation while the remaining units could be obtained through a combination of strategies including project-based and tenant-based rent subsidies, shallow subsidies, and prioritizing homeless people for available affordable housing.

Using cost estimates from recent HUD Technical Assistance modeling, the costs to prevent or end the homelessness of 4,000 people breaks down as follows:

<b>Intervention</b>	<b>Percent of people</b>	<b>Number of people</b>	<b>Cost per household</b>	<b>Total</b>
Prevention	20%	800	\$4500	\$3.6M
Rapid Rehousing	30%	1200	\$22,250	\$26.7M
Permanent Supportive Housing (PSH)	15%	600	\$25,300	\$15.2M
Deeply Affordable Housing/Extremely Low Income (ELI)	35%	1400	\$20,700	\$29M
<b>TOTAL Annual Funding Needed</b>				<b>\$74.5M</b>

Capital Costs for 2000 PSH/ELI units		2000 PSH and ELI units	\$136,000 average per unit local funding for capital to leverage other funds to construct or rehabilitate deeply affordable and permanent supportive housing	\$272M
<b>TOTAL One-Time Funding</b>				<b>\$272M</b>

The funding for these types of interventions would be a combination of federal and local resources including state, county and municipal. It would require new and additional revenue streams, including private partnerships, and as such a breakdown by source is not possible at this time.

When calculating a cost to end homelessness in Oakland it is important to not just think about how to house the 4,000 people identified in the last point-in-time-count but also the estimated 8,000-10,000 people who experience homelessness in Oakland over the course of a year.

The 2019 PATH framework calls for \$123 million in on-going funds to develop a system of care that can handle the current homelessness crisis in Oakland as well as \$220 million in one-time capital financing for building acquisition and development. In addition to the interventions listed above, the PATH framework also recommends investments in employment services, evaluation and capacity building with a focus on racial equity, and addressing the impacts of unsheltered homelessness through augmented health and hygiene services at encampments.

**15) What communities are being impacted by the increased number of blight and homelessness? [Gallo]**

According to the 2018 Oakland Equity Indicator report, the homelessness rate among African Americans was 1,797.0 per 100,000, compared to 43.0 per 100,000 for Asians. African Americans were 41.76 times more likely than Asians to be homeless.

Rates of illegal dumping requests per 1,000 population were highest in majority Latino census tracts (102.8) and lowest in majority White census tracts (26.1). The rate of illegal dumping service requests in majority Latino census tracts was almost four (3.94) times higher than the rate in majority White census tracts.

For additional information, please see the 2018 Oakland Equity Indicators Report. <https://www.oaklandca.gov/documents/2018-oakland-equity-indicators-report>

**16) There is an increase in the homeless population due to people moving from across the Country to Oakland – How is the City addressing this increase? [Gallo]**

The 2019 Point- In-Time Count indicates that 78% of people who are experiencing homelessness in Alameda County were last housed in Alameda County when they lost their housing. Furthermore, only 3% reported that they were last housed outside of California. This is the only valid data set for this information. However, this data does not speak to city data such that someone could be homeless in Oakland but last housed in Fremont.

In the past few years, HSD has conducted multiple, detailed censuses of various encampments and we typically find the vast majority of residents are from Oakland, many born and raised. However, we also

acknowledge that the housing crisis and now the current public health crisis could be changing these patterns, but we have no valid data to support that supposition.

The county-wide Coordinated Entry system gives preference to Oaklanders for Oakland resources as the resources are allocated by region. The City has expanded its emergency bed capacity by over 800 beds to address the increasing needs of the unsheltered. Many of these interventions are based on focusing on homeless individuals in specific areas (an "invitation zone") and thus are focused specifically on Oakland homeless individuals. In addition, we have been prioritizing and screening for Oaklanders in our RV sites knowing this population is far more mobile.

Finally, there is pending legislation, AB 3269, which would create a mechanism that actually holds all levels of government in California accountable for doing their fair share of addressing homelessness. This would go a long way toward ensuring each jurisdiction is contributing to the solution.

**17) Please provide security budget for City Hall. [Kaplan]**

In Fiscal Year (FY) 2018-19, the total cost for security in City Hall was \$0.2 million. In FY 2019-20, we project the final amount to be just over \$0.5 million. The increase is due to enhanced level of security (X-Ray Machines, additional security staff, and police officers) being provided and the annual increase in rates in the contract. Please keep in mind that OPW has reduced security staffing at City Hall since the shelter-in-place order in March.

**18) Vacant positions - Can you provide an updated list of Vacant staff positions including status of hiring process and number of years vacant? This is essentially the same document that we receive at Finance Committee periodically. I would just like to see the most recent list from this year. If the most recent is from last year, then it should already be in the process of being updated. Please provide the updated list. [Kalb]**

The staffing report was recently completed and is posted on the website:

<https://www.oaklandca.gov/documents/informational-memorandum-semi-annual-staffing-report-summary>

**19) Homeless Services - In the proposed adjusted FY 20-21 budget, how many times per week will trash be picked up at homeless encampments? How often will the encampments be cleaned beyond the collection of trash? How much more would it cost to ensure that all larger homeless encampments have trash collection at least three times per week (and smaller encampments twice per week)? How much more would it cost to clean all our larger encampments more frequently than what had been done last year? How frequently are the porta-potties and hand-washing stations being serviced? How much more would it cost to make sure they are serviced 3 times per week? Please provide a line-item accounting (chart) of how all the homelessness dollars of Measure Q are proposed to be spent in FY 20-21? Please include notations regarding the maintenance of effort requirement. [Kalb]**

The FY 2020-21 midcycle contains funding for trash and encampment cleaning once per week. To increase the frequency of service, additional resources would be required:



**HONORABLE MAYOR AND CITY COUNCIL**

Subject: FY 2020-21 Budget Development Questions/Responses #3

Date: June 9, 2020

<b>Personnel Costs:</b>				
No.	Job Classification	Each Per Year	Total	Annual Costs
1	Public Works Supervisor I (2.0 FTE)	\$203,459	\$406,918	\$406,918
2	Street Maintenance Leader (2.0 FTE)	\$163,303	\$326,606	\$326,606
3	Public Works Maintenance Worker (6.0 FTE)	\$128,492	\$770,953	\$770,953
Total Personnel Cost for additional staff			\$1,504,476	\$1,504,476

<b>Equipment, Material and Supplies</b>				
	Two (2) 25 cubic yard Packers w/tippers	\$325,000	\$650,000	
	Two (2) 6 cubic yard Packer w/tippers	\$150,000	\$300,000	
	Equipment and Supplies O&M	\$200,000	\$200,000	\$200,000
	Total Equipment and O & M Cost		\$1,150,000	\$200,000

<b>Personnel and O&amp;M Costs:</b>			\$2,654,476	\$1,704,476
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In addition, OPD would need to assign additional officers to accompany OPW crews to each encampment. Each OPD unit typically consists of one sergeant and two officers. Staff is currently evaluating the costs expand garbage service with an increased frequency for large homeless encampments.

Before the COVID-19 pandemic, there were about 20 encampment locations, each being serviced 3 times/week. Beginning in March, the number of sites increased to 40 and service increased to 4 times/week. Each additional day of service costs \$60/month for a standard unit plus sink (portable restroom), and most sites have 2-3 units and 2-4 sinks. Beginning in March we also added hand sanitizer to each unit which costs \$10/month for once a week service so \$40/month for the 4 days/week of service. HSD is currently paying about \$70,000/month for the 40 sites which all have service 4 times/week.

Allocation %	Program/Service	FTE	Personnel	O&M	Total	Description
30%	Homelessness	3.00	439,370	159,998	599,368	Add 2.00 FTEs in Community Housing Services and 1.00 FTE in DHS Fiscal Operations, and \$0.16 million in O&M funding for the expansion of programs and services to address homelessness by enabling unsheltered and unhoused resident to access temporary, transitional, and/or permanent housing;
	Homelessness	1.83	347,548	-	347,548	Transfer 0.83 FTEs in Community Housing Services and funding of 1.00 FTE for ½ year from Human Services;
	Homelessness	3.00	905,562	-	905,562	Transfer 3.00 FTE's from the Oakland Police Department Homelessness Unit from the General Purpose Fund; and
	Homelessness	-	-	756,700	756,700	Transfer Third Party Contracts in Community Housing Services from Measure HH - SSBDT Fund (1030) \$100k and Comprehensive Clean Up Fund (1720) (\$39,600), Transfer St. Mary's Center Contract Contingencies (\$200k), Homeless Ambassador Program(\$350k), and other subsidies (\$67k) from the General Purpose Fund.
	Homelessness	-	-	4,037,212	4,037,212	Appropriate approximately \$4.04 million in funding for Third Party Grant contracts for various programs dedicating approximately \$1.74 million to the Henry - Hotel Touraine and the Holland - Grand Hotel, \$1.20 million to family services and family hotel strategy, \$0.50 million in community outreach, \$0.50 million for the Oakland Path Rehousing Initiative, \$0.05 million for the Hope Housing Lease and \$0.05 million in motel vouchers.

**20) How do our Hotel/TOT revenue projections compare with San Francisco, South San Francisco, Berkeley and San Jose? Have we made a more or less conservative forecast than other cities? [McElhaney]**

The budget forecast reflects GPF TOT revenue below FY 2014-15 levels. The forecast assumes slow recovery over the fiscal year and will be monitored on a monthly basis. For example, the forecast assumes some months of only 5% of historical average, however, based on April 2020 remittances that

also has a forecasted assumption of 5%, the City received 16.40%. In comparison, San Francisco anticipates TOT revenues below their FY 2018-19 revenues. San Jose anticipates FY 2020-21 revenues to be below their FY 2015-16 revenues.

**21) What level of activity at the Airport and Coliseum do the gas and parking tax revenues assume? Please explain using real life examples (e.g. concerts are half as full, half as many flights, etc.). [McElhaney]**

Gas tax projections are created by the State's economists and distributed to cities by Michael Coleman, a League of California Cities Fiscal Policy Advisor. The City uses these projections for budgeting. New gas tax numbers were released on May 20, 2020 and have been included in Errata #1. There is no gas tax on jet fuel.

Parking tax derived from events at the Coliseum are solely the 8.5% Measure Z parking tax. The GPF portions is remitted back to the JPA as required by an agreement between the City and the JPA.

GPF Revenue derived from parking at the airport is the biggest area of concern. "Oakland passenger volume dropped 60 percent in March and 95 percent in April. Similar declines are being reported worldwide. In April, OAK saw fewer than 45,819 travelers down from 1.1 Million last April." (Source, Bryant Francis, Aviation Director OAK) This drop was reflected in parking tax revenues derived from activity at the airport. In FY 2020-21, GPF parking tax revenues are expected to recover to FY 2013-14 levels. In comparison, San Francisco is projecting their parking tax revenues in FY 2020-21 to recover to their FY 2018-19 levels. The City of San Jose does not have a parking tax.

**22) How do our revenue projections for gas and parking tax at the airport compare to San Jose and San Francisco? Have we made a more or less conservative forecast? [McElhaney]**

See answer to question 21.

**23) What has been our sales tax revenue during this first stage of the pandemic? How does that compare to the FY20-21 projection? For how long are we assuming that sales tax continues at the same rate as March-May of 2020? [McElhaney]**

Sales tax information tends to run 3-4 months behind. The sales tax numbers and subsequent analysis for the Q1 CY20 (FY 2020-21 Q3) January–March will not be available until early July 2020. We will have the Q2 CY20 (FY 2020-21 Q4) April-June numbers and analysis by early October 2020.

Assuming that the virus is largely contained by the end of September, our sales tax consultant's (HdL) economic scenario projects that tax declines will bottom out in the first quarter of 2021 but with only moderate gains for several quarters after. Data from previous downturns suggests that the return to previous spending is not immediate and often evolves. Businesses emerge with ways to operate with fewer employees and more moderate capital investment. Consumers take time to fully get back to previous levels of leisure travel, dining and spending and may permanently transfer to newly discovered services, activities and/or online retail options. Furthermore, the speed at which the consumer sector of the economy recovers may be negatively impacted by reduction of consumers' disposable income resulting from wage reductions.

**24) During the COVID crisis, we should examine all expansionary investments to determine if they should be put on hold temporarily in exchange for immediate funding for vital services for our residents for food and housing security. Have the proposed capital expenditures on tot-lots, parks and recreation centers (#3 of FY19-21 Budget Exhibit 2) been spent or committed? If not, are we able to put these projects next in line for Measure KK funding so as to reallocate this Measure HH funding for hunger programs or immediate COVID responses? [McElhaney]**

Out of the total allocated Measure HH capital projects, about two-thirds are either completed or are currently in construction. The remaining projects are in different phases. The Measure KK funds have already been appropriated/allocated from the 2nd bond sale. Also, Measure HH funding is leveraged as matching funds for 4 of the in-progress projects, which if eliminated would cause us to lose the grants as well. To reallocate the projects to Measure KK funds will require the review of the unfunded CIP project list and evaluation of the project prioritization ranking.

**25) Are the non-department contingency funds allocated in the Administration's proposed budget? (#8/#8a of FY19-21 Budget Exhibit 2) [McElhaney]**

The proposed budget includes \$100,000 each for City Administrator and City Council Contingency funding.

**26) During the COVID crisis, the City should consider postponing proposed expansions of service and instead focus on maintaining existing service levels. The FY19-21 budget included seed funding for a sidewalk repair program. Has this funding been spent and if not, how could this funding be reprogrammed to either relieve pressure on the general purpose fund or to more immediately improve the public right of way to assist small businesses in operating under COVID restrictions? (#2 of FY19-21 Budget Exhibit 2) [McElhaney]**

This money has not been spent. Given that the funding source for this money is transportation sales tax, the Department of Transportation (DOT) recommends that this money be repurposed to maintain on-going DOT operations that are proposed to be cut or reduced due to the decrease in sales tax and gas tax funding.

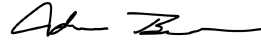
**Questions outstanding:**

- 1) What is the status of the \$100,000 of community mural funding assigned to EWD? (#19/19a of FY19-21 Budget Exhibit 2) [McElhaney]**
- 2) What is the status of the \$1.6 million for 'cannabis equity business funding' and the \$500,000 for 'Cannabis Equity TA Funding'? (#11 and #12 of FY19-21 Budget Exhibit 2) [McElhaney]**
- 3) The record unemployment associated with COVID requires this City to strongly respond. In the last budget, the City invested additional funds in local workforce development organizations. Have those additional funds been spent? (#22, #23, #25, #26, #29 of FY19-21 Budget Exhibit 2). Are these organizations positioned to provide immediate support to the record number of unemployed and would it be more efficient to disburse small business support through them as opposed to directly from the City? [McElhaney]**
- 4) The COVID crisis requires reexamining our plans for expansions. It is imperative that we examine repurposing these funds on COVID related public health and safety measures in the short term. What is the state of the ShotSpotter expansion funding? (#32 of FY19-21 Budget Exhibit 2) [McElhaney]**
- 5) OPD Finances - There has been a call to reduce funding to the Oakland Police Department as part of our overall budget reductions. Please share (with specificity) what reductions (including freezing of vacant positions), if any, are already in the Administration's proposed FY 20-21 budget for OPD. In answering that question regarding personnel, please distinguish between sworn and non-sworn employees. Since a portion of the overall reductions in the Administration's budget proposal are projected to come from yet-to-be agreed-upon employee concessions, do those possible concessions include sworn OPD personnel? IF cuts to OPD, beyond freezing a few vacant positions, were to be instituted, where specifically would the Administration or the Chief propose to make those reductions. Is there a way to make proportional cuts to OPD that will NOT lead to increased 911 response times? Is there a way to make proportional cuts to OPD that will NOT reduce OPD's investigative capacity in terms of investigating serious and violent crimes? [Kalb]**

- 6) **Business Mediation - As we carefully transition out of COVID-19 sheltering in place, helping our independent small businesses and nonprofits must be a high priority. Unfortunately, neither state law nor the Governor's executive orders give us local authority to limit commercial rents. What would it cost on a short-term basis for the city to contract with a mediation service/consultant (nonprofit or otherwise) to assist our small businesses and nonprofits in working together with their commercial property landlords to temporarily lower rents and work out long-term rent payment plans? [Kalb]**
- 7) **What areas are disproportionately affected by property destruction/vandalism over the past two weeks? How will Oakland help these small businesses to reopen? [Gallo]**
- 8) **How much \$ is allocated toward OPD's PIO team? What are the duties aligned to each Communications person? How much savings would come from reducing the unity by 25% 50%? [Taylor]**
- 9) **If OPD were tasked to produce \$2M of budget reductions (fully burdened) and directed to focus reductions at the management level (vs. the officer level), What positions would you suggest freezing/ eliminating? [Taylor]**
- 10) **What cost savings would be achieved from consolidating Areas 1,2, and 3 in BFO1 into only 2 Areas? What positions could be eliminated? What would the tradeoffs be of making such a move? NOTE: This idea seems worth considering given the disproportionate call volume in Areas 4/5(66%) vs. Areas 1/2/3 (33%). [Taylor]**
- 11) **How much will it cost to increase OPD's investment into the OK Program to a full unit of 8 officers who will be dedicated to implementing OK's vision of XXX XXX? What, if any, additional costs are needed to have this unit report to a Deputy Chief or higher in the organization? [Taylor]**
- 12) **What will the costs be for OPD to assume responsibility for OUSD's public safety needs should the school district eliminate their Police force? [Taylor]**
- 13) **What vacancies exist in the Litter Enforcement Officers team? How close are they to getting filled? [Taylor]**
- 14) **What are the restrictions (if any) on the use of the multi-purpose Reserve (1750) spending? What specific projects are the reserve balances already allocated? [Taylor]**
- 15) **How much \$ is needed for the implementation of the city-wide performance management system that the City Administrators Office has been planning for over the past year?**
- 16) **What specific projects, if any, are designated for use of the 2013 LED Streetlight Fund (6013) Fund Balance? [Taylor]**
  - a. **How much will it cost per streetlight to add street lights to improve safety and security n neighborhoods?**
- 17) **From Fund 1030, there is a \$100k reduction in O&M for the Dept of Race & Equity. Why is this department's budget being reduced? What impact will this reduction have? [Taylor]**
- 18) **Fund 1710 (Recycling program) appears to have a balance of \$630k. what will the impact on the fund be if keep the 1.0 FTE Urban Economic Analyst in the position instead of transferring the position to the General Fund? [Taylor]**

For questions, please contact Lisa Agustin, Budget Administrator, at (510) 238-2989.

Respectfully submitted,



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ADAM BENSON  
Director of Finance