

## MAYOR'S 2008-2009 BUDGET PROPOSAL

---

To: Members of the City Council  
From: Mayor Tom Bates  
Date: June 15, 2007  
Re: Mayor's Budget Proposal

---

I am pleased to provide these budget recommendations in an effort to help bring the City Council to a conclusion in our budget discussions. As always, I view this proposal as a way to help guide the rest of the Council and public discussions, not as a final document.

In all, I am recommending we re-allocate \$1.4 million in one-time funding and spend approximately \$250,000 in recurring funding to meet a number of Council identified priorities. Unfortunately, not every worthy program or initiative can be funded. The Council referred over \$7 million in additional spending to the budget process over the past few months and there is simply no way to accommodate all of them, especially many that would require we identify recurring funding in future years when the City is projecting little revenue growth.

Many of the recommendations in this proposal are designed to help make the City eligible for state bond resources. By allocating some of the one-time revenue to engineering and other planning efforts, we may be able to leverage millions in local infrastructure funding for urban parks, streetscapes, and other improvements.

It is my hope that these recommendations are a balance between meeting some of our community's pressing needs and fiscal restraint in a time of limited revenue growth. I look forward to our continuing discussion.

### 1. BUILDING A SUSTAINABLE ECONOMY

#### Economic Development and Arts

The City Manager's budget recognizes the importance of increasing our investment in economic development by expanding the Office of Economic Development. Recently, we increased the department's budget by \$500,000 and the City Manager is proposing an additional \$115,000 over the next two years for project development and "marketing Berkeley". As I mentioned in my State of the City, the arts nourish our soul and are a major economic contributor to our economy. This is one of the major growth areas in both jobs and revenues.

For this reason, now is not the time to be reducing the staffing for the Civic Arts Coordinator. Therefore, I am recommending the restoration of **\$65,000 in 2009 for the .5 FTE of the Civic Arts coordinator** with one-time funds.

I remain committed to allocating approximately the equivalent of 10% of the Hotel Tax to the Arts. For FY 2008, I recommend that the **Community Agency Arts programs receive an**

## MAYOR'S 2008-2009 BUDGET PROPOSAL

---

**additional \$25,506 to bring it up to that level** – specifically the Berkeley Art Center and the Civic Arts Grants. I am referring this funding to the Civic Arts Commission for allocation recommendations.

### **Economic Development and Planning**

Many of our commercial areas have conceptual plans for streetscape, transit and pedestrian management. However, the City lacks the funding necessary to do the technical design and engineering work that would allow us to apply for capital grants from the state bonds or other sources. I am recommending that we use one-time only funds from the streets budget to actually develop the technical plans needed to secure funding for the implementation.

**Technical and Engineering Planning –\$376,800:** The City Manager's budget has \$9,247,897 million in Capital Improvement Programs (CIP) for Sidewalks and Streets. My recommendation is that for FY 2008 we use a small portion of these one-time only funds to move forward with streetscape improvements in several areas. In all of these areas, this additional city work is required to be eligible to receive development mitigations and many state grants.

- Engineering design for pedestrian improvements along University Avenue per the University Avenue Strategic Plan and Diwali lights on University between 6<sup>th</sup> and San Pablo;
- Engineering design for pedestrian improvements along San Pablo Avenue to implement the existing streetscape and pedestrian plan;
- Center Street plaza study and design options;
- Piedmont Avenue Landscape Rehabilitation Plan
- Community visioning charrette for the Adeline corridor to determine what streetscape, park, and other improvements the neighborhood would like to see.

In 2009 we will look at the needs for Southside/Campus transportation design, resulting from Southside Environmental Impact Report and the South Shattuck/Adeline Corridor.

**Transportation Planning - \$255,000 one-time only.** Additionally, I am recommending one-time only funds of \$255,000 for one FTE planner in Transportation for 18 months. This is per the Transportation Commission's recurring request to deal with the backlog of important projects.

**West Berkeley Planning - \$85,000 one-time only.** I am recommending an additional .5 FTE, to the West Berkeley Planner identified in the Planning Department's budget, making the position full time for one year.

**Long Term Infrastructure Needs.** While we are making a small down payment on our deteriorating infrastructure by investing over \$41 million in capital projects over the next two years, it is only a drop in the bucket. We need to develop a long-term strategy to catch up on decades of deferred maintenance. I am recommending that the City Council request our new watershed coordinator and other city staff develop options for addressing our long term infrastructure needs over the next 10-20 years through a combination of general fund subsidy, state bonds, local taxes, and other measures.

---

## 2. SUPPORTING HEALTHY DEVELOPMENT FOR KIDS AND FAMILIES

We need to prepare our youth to lead the new economy. This means that we need to provide every child with a healthy start at life, all children need to have on-going support and development opportunities, and youth need workforce and internship opportunities. Additionally, we need to continue our efforts to prevent and treat chronic disease in our most vulnerable communities.

### **Health Programs - \$250,000 one-time only:**

**Every Child Deserves a Healthy Start: \$50,000 one-time only.** The first few years of a child's life are an especially sensitive time in development – laying the foundation for cognitive functioning; behavioral, social and self-regulatory capacities; and physical health. Unfortunately, many stressors in the early child years can impair healthy development. Poverty is especially detrimental in early childhood in terms of children's subsequent educational, health, and other life outcomes, and economically disadvantaged children are often educationally disadvantaged even before the start of kindergarten. These problems are especially significant in south and west Berkeley, according to the recently released health status report. Early childhood intervention programs can mitigate the factors that place children at risk of poor outcomes, including improving school readiness.

Coordinated systems of care for young children – especially ages 0-3 – identify children at risk through regular screening (for perinatal substance abuse, maternal depression, and social-emotional-cognitive development of young children), assessment, and referral to appropriate interventions – many of which are community based programs designed to support parents and improve parenting skills, provide appropriate emotional support and cognitive stimulation for children, and provide mental health and child development consultation to child care and health care providers.

The City's Public Health Division is well positioned to partner with Alameda County First Five (Every Child Counts) to pilot an intensive planning effort to develop a coordinated system for Screening, Assessment, Referral, and Treatment (SART) in Alameda County. This effort includes representation from three cities – Fremont, Oakland, and Berkeley. Several other counties have implemented coordinated SART systems to ensure healthy child development, including Fresno and San Bernardino.

**Chronic Disease/Hypertension Prevention and Treatment: \$100,000 a year for both years from one-time sources.** Berkeley's new Health Status Report documents the critical need to continue these services, with continued dramatic disparities in health outcomes between African-American residents compared to residents of other ethnicities, specifically with regard to startling inequities in stroke and coronary heart disease mortality, hospitalizations for hypertensive heart disease, and prevalence of high blood pressure.

Continued City General Fund support of \$100,000 for the next two years will provide a solid foundation for the Hypertension Prevention and Treatment Initiative. These funds will provide

## MAYOR'S 2008-2009 BUDGET PROPOSAL

---

bridge funding to continue the key Public Health Division activities described in this report while staff work to acquire external grant support. The City of Berkeley's \$100,000 allocation will leverage approximately \$50,000 of additional in-kind contributions from the Public Health Division. The \$100,000 each year will support the initiative's outreach and education program, the community health worker training program and services supporting treatment and case management for highest risk patients.

### **Youth Recreation and Teen Programs -- \$85,000 per year in recurring funding:**

Following years of budget reductions, I support the City Manager's budget recommendations to reinstate needed funding to our recreation division. Our recreation budget has been hit hard over the course of the past few years. As a result of limited funding and lack of youth leadership in program design and delivery, our teen programs fell victim to hard times.

On June 12 we heard a brief presentation from team of Berkeley High School students who surveyed 467 teens (8<sup>th</sup> -11<sup>th</sup> grade) about the accessibility and availability of teen programs. It was clear from that study that Berkeley teens feel there are not adequate safe places to socialize and engage in constructive activities that are close to home and/or near a public transit route.

I am recommending that we allocate \$85,000 a year to the Recreation Division for Teen Program expansion. These resources will provide the recreation division the funding necessary to develop a range of activities that promote youth development and are age-appropriate for teens in our community. Specifically, the division will staff the Thursday West Berkeley teen nights currently held at the West Berkeley Senior Center and expand the program to other Community and Recreation Centers around town.

**Youth Employment - \$50,000 in one-time funding and \$100,000 in recurring funding:** One of the best ways to prepare our youth for the future is to provide valuable internship and employment development opportunities. The City Manager has allocated \$136,000 more in recurring funding starting immediately to allow the City to increase the number of jobs available. I join with my fellow Council Members recommending we develop, implement, and fund an expanded public/private your jobs program.

We need to develop a dynamic program that creates to new jobs and becomes the centralized employment screening entity for public and private businesses recruiting Berkeley youth. This will take additional staffing to raise outside funding, find new job opportunities, including but not limited to jobs that are funded with by the potential employer and to coordinate with other employment development organizations.

We request that the City Manager conduct a program capacity assessment of youth employment efforts in the City - including YouthWorks, Berkeley Youth Alternatives, and Rubicon - during the summer of 2008.

To do this, I am recommending we spend \$50,000 this year to hire a consultant to help us develop an effective program that works with all city and city funded programs and the private sector. In addition, I am recommending we provide on-going support for the new program which I am budgeting at \$100,000 per year pending program development and budgeting.

### 3. AFFORDABLE HOUSING AND PROGRAMS TO END HOMELESSNESS

**Affordable Housing:** The first challenge in ending homelessness is preventing it. For that reason, I support the City Manager's recommendation to use \$947,000 of General Fund dollars over the two-year period to transition and improve the Berkeley Housing Authority (BHA) and ensure that it remains in Berkeley.

I also support the City Manager's budget to add \$1.5 million into the Housing Trust Fund, which supports the creation of affordable housing. When the funding is available, I would like to ensure that priority is given to projects that include permanent supportive housing for homeless individuals and families. The Housing Trust Fund will be supplemented in the future with the \$300,000 set aside from the Mental Health Services Act (MHSA) for housing people with mental illness.

**Ending Chronic Homelessness - \$159,597.** The City Manager's budget already calls for a \$120,190 increase in Community Agency Homeless Services funding. Options Recovery Services has been highlighted by many Council Members as a model programs, successfully moving people from homelessness and drug and alcohol dependency to successful lives. While the Homeless Commission did recommend a modest increase for Options in the biennial budget, I join with my colleagues on the Council in recommending an increase in Options' allocation by an additional \$100,000 for their AOD and mental health program working with Berkeley residents.

Over the past few years, the Council made a decision to prioritize the City's funding for permanent supportive housing. The Homeless Commission, in its effort to comply with the Council's direction worked hard to meet this goal. However, as we move along the path toward achieving this objective, it is important that we retain some of our emergency services – like shelter and feeding programs. Three organizations providing valuable services for homeless people were significantly reduced – BOSS, Berkeley Food and Housing Project, and Dorothy Day Breakfast program – and we would like make some restorations.

My recommendations are as follows:

- \$100,000 – Additional funding for Options Recovery Services to provide additional drug and mental health counseling programs that can be coordinated with the PCEI program.
- \$31,568 – Restore BOSS shelter and housing programs
  - \$20,000 for Multi Agency Service Center – One-time only in 2008.
  - \$11,568 Harrison House Singles Recovery Program
- \$20,075 – Restore Berkeley Food and Housing Project
  - \$20,075 – Restore Berkeley Food and Housing Case Management at the Multi-service Center (MSC)- One-time only in 2008.
- \$ 7,954 – Restore Dorothy Day Trinity Church breakfast - One-time only for 2008

#### 4. ENSURING PUBLIC SAFETY

Public safety is of major concern for our city. After property crimes increased over the first few years of this decade, we implemented a major new program to address that problem. Last year, we saw a significant decrease in the number of property crimes and a decrease in our overall crime rate. However, it is of significant concern that the number violent crimes increased over the past year.

There has been much discussion at Council meetings about the importance of improving our community policing efforts – which will likely require more staff. I agree with Council Members Worthington and Wozniak that we do need to increase our police force to fully implement community policing in our community.

**The City Manager's budget includes a \$2.1 million in additional funding which is sufficient to fill all current vacancies, a process that will take about 18 months.** That new hiring will max out our field training capacity for at least 18 months. It is not appropriate to allocate additional funding for new police officers if we cannot hire them for the duration of this budget and do not have the source of recurring funds identified. Therefore, I am not recommending additions funding in the 2008-2009 biennial budget.

I do recommend that we begin discussions of introducing a special tax measure for 2008 that will support public safety and community policing.

Lastly, **upon the passage of the Public Commons for Everyone Initiative, the City Council approved \$50,000 for the City Manager to hire a 6 month FTE** to assist in the facilitation, community engagement, data collection and planning for the initiative.

---

#### 5. IMPACTING CLIMATE CHANGE AND IMPLEMENTING MEASURE G

Climate change is the greatest global challenge of our lifetime and the City of Berkeley has, again, taken the lead in addressing this crisis. When Berkeley voters passed Measure G, I believe they were directing us to be a model for the rest of the world to follow. Measure G directs the Mayor to work with the community to prepare an emissions reduction plan with specific targets by the end of 2007 for submission to the City Council. My budget referral details four key elements required for developing this plan: Commission Engagement; Community Engagement; a May Kick-off event (which occurred with 170 participants) and presenting a report to Council on progress and emissions numbers (set for June 19).

I am requesting **\$100,000 in one-time only funds to provide adequate funding for the City's Climate Change Coordinator position** to continue through the biennial budget and putting in a placeholder of **\$25,000 to backfill the costs of eliminating the city fee for solar installation** in 2008.

**6. TRAFFIC CALMING AND PANORAMIC HILL EMERGENCY ACCESS**

**Traffic Calming:** I support the City Manager's CIP budget proposal for Transportation and Traffic, specifically the allocation of \$400,000 over two years, plus \$50,000 in recurring expenses for traffic calming. The City Manager's budget includes traffic calming in the north side – specifically around Hopkins, Gilman, Cedar and Rose – as requested by Council Member Maio, and landscaping of traffic diverters, as requested by Council Member Spring.

**Panoramic Hill Emergency Access:** Panoramic Hill is one of the most vulnerable neighborhoods when it comes to earthquake or fire disasters. There is only one entrance and exit to this hillside neighborhood. I support Council Member Wozniak's recommendation to provide \$25,000 to the Panoramic Hill neighborhood to conduct a feasibility study for emergency road access. This funding could potentially leverage funding from the Chancellor's Community Partnership Fund.