

FY 2022 City Council Budget Priorities

Budget & Government Efficiency Committee

Item 2

January 20, 2021



Office of the Independent Budget Analyst



FY 2022 City Council Budget Priorities

Overview

- City Council's first step in the annual budget process is to develop the annual Budget Priorities Resolution
 - City Councilmembers have set their priorities this way each year since 2006
 - Included in the FY 2022 "Key Budget Dates" approved by Council
- Councilmembers submitted individual priorities memoranda to our Office on January 6, 2021
 - All Councilmember priorities were reviewed
 - IBA Report #21-01 summarizes those receiving majority support
- FY 2022 Budget Priorities Resolution will be submitted to Mayor after approval by City Council

FY 2022 Priorities Receiving Majority Support

Operating Budget Priorities

- Maintain Core Services/Clean Communities
- Homelessness & Housing
- Equity & Relief Programs
- Climate Action
- Human Capital & Employee Compensation
- Arts & Cultural Programs Funding

Infrastructure Budget Priorities

- Transportation Safety & Mobility
- Sidewalks
- Streets
- Parks & Recreation Facilities
- Storm Water
- Library Facilities
- Fire-Rescue Facilities
- Transit Infrastructure

Budget Mitigation Priorities

- Use of General Fund Reserve/Excess Equity
- Use of Pension Payment Stabilization Reserve

City Council Operating Budget Priorities

Maintain Core Services/Clean Communities (*unanimous*)

- Library (*8 Districts*)
- Brush Management (*6 Districts*)
- Neighborhood Code Enforcement (*6 Districts*)
- Parks & Recreation (*5 Districts*)
- Weed Abatement in the ROW (*5 Districts*)

Homelessness & Housing (*unanimous*)

- Homelessness (*7 Districts*)
- Housing-Tenant & Landlord Outreach (*5 Districts*)

City Council Operating Budget Priorities *(cont)*

Equity & Relief Programs *(unanimous)*

- Implementation of Independent Commission on Police Practices *(unanimous)*
- Rental Relief *(8 Districts)*
- Small Business Relief Fund *(8 Districts)*
- Police Reform: Reallocate Funding & Reassigning Services *(7 Districts)*
- Youth Services *(7 Districts)*
 - Office of Child & Youth Success *(6 Districts)*
 - Youth Environmental/Recreation Corps Program *(5 Districts)*
- Digital Equity/Public Wi-Fi *(6 Districts)*
- Office of Race & Equity *(6 Districts)*
- Public Banking Feasibility Study *(6 Districts)*
- Office of Labor Standards Enforcement *(5 Districts)*

City Council Operating Budget Priorities *(cont)*

Climate Action *(8 Districts)*

- Climate Action Plan Implementation/Update *(8 Districts)*
- Climate Equity Fund *(7 Districts)*
- Urban Forestry *(6 Districts)*

Human Capital & Employee Compensation *(8 Districts)*

Arts & Cultural Programs Funding *(6 Districts)*

City Council Infrastructure Budget Priorities

Transportation Safety & Mobility (*unanimous*)

- Pedestrian & Bicycle Safety (*8 Districts*)
- Traffic Calming (*6 Districts*)
- Streetlights (*6 Districts*)
- Traffic Signals (*5 Districts*)

Sidewalks (*unanimous*)

Streets (*unanimous*)

City Council Infrastructure Budget Priorities *(cont)*

Parks & Recreation Facilities *(8 Districts)*

Storm Water *(7 Districts)*

Library Facilities *(6 Districts)*

Fire-Rescue Facilities *(5 Districts)*

Transit Infrastructure *(5 Districts)*

City Council Budget Mitigation Priorities

Use of General Fund Reserve/Excess Equity *(6 Districts)*

Use of Pension Payment Stabilization Reserve *(6 Districts)*

City Council Budget Mitigation Priorities (cont)

Some Other Ideas for Consideration for FY 2022

- For further consideration as we move through the budget process, following are additional resources & mitigations mentioned by 2 or more Councilmembers
 - Waive Charter Section 77.1 Infrastructure Fund (Prop H) Contribution
 - Cannabis Tax Increase
 - New Gas & Electricity Franchise Agreements
 - Department Budget Reductions
 - Evaluate Contracts
 - CARES & Federal COVID-19 Relief Funds

City Council Budget Mitigation Priorities (cont)

Ideas for Fiscal Years After FY 2022

- Following are additional resources & mitigations mentioned by 2 or more Councilmembers that would require significant work to be completed before implementation
 - Storm Drain Fee Increase (ballot measure required)
 - Paid Refuse Collection (ballot measure required)
 - Permanent Local Housing Allocation for Homelessness Programs

FY 2022 City Council Budget Priorities

Request for Committee Action

- Review & discuss the budget priorities summarized in IBA report #21-01
- Forward priorities with any desired modifications to City Council
 - City Council may make further changes, if so desired
 - Adopt the FY 2022 Budget Priorities Resolution on February 2, 2022
- Following City Council approval, the FY 2022 Budget Priorities Resolution will be submitted to the Mayor for consideration in the FY 2022 Proposed Budget