

**City of Richmond**  
**Mid-Year Budget Presentation**  
**FY2008/2009**



**February 17, 2009**

**Prepared by The Finance Department**

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## Financial Management Policies Guide Our Success

- **Cash Reserve Policy – Adopted 2005**
  - \$10 million contingency reserve. FULLY FUNDED IN FY2005-06
  - Protects from sudden and unexpected changes in revenues or expenditures.
- **Budget Policy – Adopted September 2004**
  - Requires Annual Budget to be structurally balanced - one-time moneys to be spent only on one-time expenditures; ongoing moneys to be spent on ongoing expenditures.
- **Debt Policy – Adopted February 2006**
  - General Fund debt service cannot exceed 10% of GF revenues; current level is 4%.
  - Policy also sets forth detailed debt management and refunding practices.
- **Investment Policy – Updated February 2006**
  - Requires investments to be made first on the basis of safety, then liquidity, and, lastly, yield.
- **Swap Policy – Adopted May 2006**
  - Sets forth comprehensive practices with respect to use of swaps
  - City's swaps currently rated 1.5 (very low risk) on a scale of 1 to 4, with 1 being the lowest risk.



## Revenue Enhancements Help Us Achieve Our Goals

- \$5 million payment from Point Molate received
  - If sale is completed, \$5 million payable in FY2009/2010
  - \$30 million promissory note over 15 years
  - Project expected to be operational in 2012
- Measure Q revenue \$6.6 million in FY08/09 (Adopted 2004)
- Measure T
  - Increase to Business License tax on manufacturers
  - Current estimate: \$20 million in first year
- New Retail – Target, WalMart
- Community Benefits Service Agreement
  - \$4 million annually for six years
- Port revenue from Honda \$88 million over 15 years
- Property Tax Override Revenues are used to relieve General Fund of certain expenses
  - 1999 and a portion of 2005 POB debt service
  - Pension costs
  - Retiree benefits paid by GF
- Annual savings from refunding pension debt deposited in “Pension Stabilization Fund”
  - \$32 million over 12 years
  - Approved uses include capital projects, pension/retiree health care costs



## Looking Back.....

### Fiscal Year 2004-2005

- City had no credit rating – “locked out” of Capital Market
- 1999 Wastewater Bonds on “watchlist” for downgrade
- RCRA Credit Rating “A-”
- Cash balance \$14 million
- \$115 million unfunded PERS liability
- FY2003/04 and FY2004/05 audits not completed
- Fire Stations and Branch Libraries closed
- Measure Q Adopted – ½ cent sales tax

### Fiscal Year 2006-2007

- City’s Credit Rating reinstated at “BBB+” by Standard & Poor’s/ “A3” by Moody’s
- Wastewater’s Credit Rating “BBB”
- RCRA’s Credit Rating “A-” (Above Average)
- Cash at end of fiscal year: \$30 million. Includes \$9.4 million in year-end cash transfers to close funds with negative balances
- City issued \$115 million Pension Obligation Bonds to fund unfunded PERS Liability. Total estimated savings: \$24 million
- City received Award for Outstanding Financial Reporting from California Society of Municipal Finance Officers (CSMFO).
- Fire Stations re-opened. Main Library re-opened (minimal hours)
- Measure Q revenue: \$6.1 million



## Looking Back....

### Fiscal Year 2006 - 2007

- City's Credit Rating upgraded to "A-"
- Wastewater issued \$35 million in bonds to refund 1999 bonds/fund additional capital projects.
- RCRA Credit Rating upgraded to "A" (Above Average)
- Cash balance \$30 million
- \$45 million unfunded Other Post Employment Benefits liability
- City received Government Finance Officer's Association (GFOA) Distinguished Budget Award for Operating and Capital Budget
- RCRA issued \$75.2 million in bonds to fund projects

### Fiscal Year 2007-2008

- City's Credit Rating upgraded to "A+" (Strong/Above Average). City issued \$101 million in bonds to finance Civic Center – City's largest capital project ever.
- Wastewater's Credit Rating upgraded to "AA-" (Very Strong)
- RCRA 2007A bonds restructured to mitigate Capital Market issues.
- Cash balance: \$14.9 million
- City restructured Civic Center Bonds to mitigate Capital Market issues.
- City received Government Finance Officer's Association (GFOA) Distinguished Budget Award for Operating and Capital Budget.
- City re-opened Community Centers and Libraries



## Looking Back....

### Fiscal Year 2008-09

- MUNIS Implementation
  - Financials “Go Live” December 1, 2008
  - HR/Payroll “Go Live” January 5, 2009
- Wastewater issued \$33 million in bonds to refund 2006A bonds affected by bond insurer downgrades.
- See-It Program “Go Live” February 23.
- Comprehensive Annual Financial Report “CAFR” completed January 2009.
- Richmond Community Benefits Agreement
  - Fiscal Years 2008-09 through 2013-14
  - \$24 million total over 6 years
    - Jobs \$6 million
    - Public Safety \$6 million
    - Violence Prevention \$5,050,000
    - Community Health \$6 million
    - Education \$750,000
    - Fire Protection \$200,000



## Financial Reports Available Online Provide Transparency

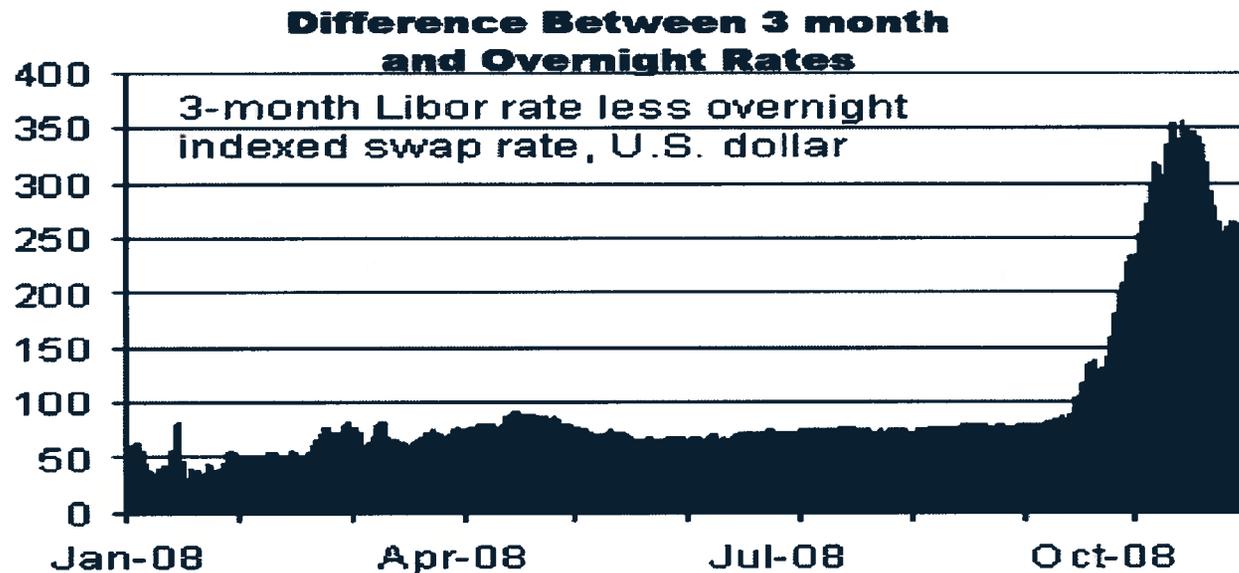
- Comprehensive Annual Financial Reports
  - Fiscal Years 1997-98 through 2007-08.
- Adopted Budgets
  - Fiscal Years 2005-06 through 2008-09.
- Mid Year Budget Reviews
  - Fiscal Years 2006-07 and 2007-08.
- Capital Improvements Plans
  - CIP 2006/07-2010/12 through 2008/09-2012/13.
- Treasury Reports
  - Credit Rating Reports
  - Five Year Debt Forecast
  - Debt Obligations
  - Official Statements
  - Disclosure Reports
  - Monthly Investment Reports
- Presentations to Credit Rating Agencies
- Letter to Manufacturers regarding Implementation of Measure T

<http://www.ci.richmond.ca.us/index.asp?nid=65>



## National Economy

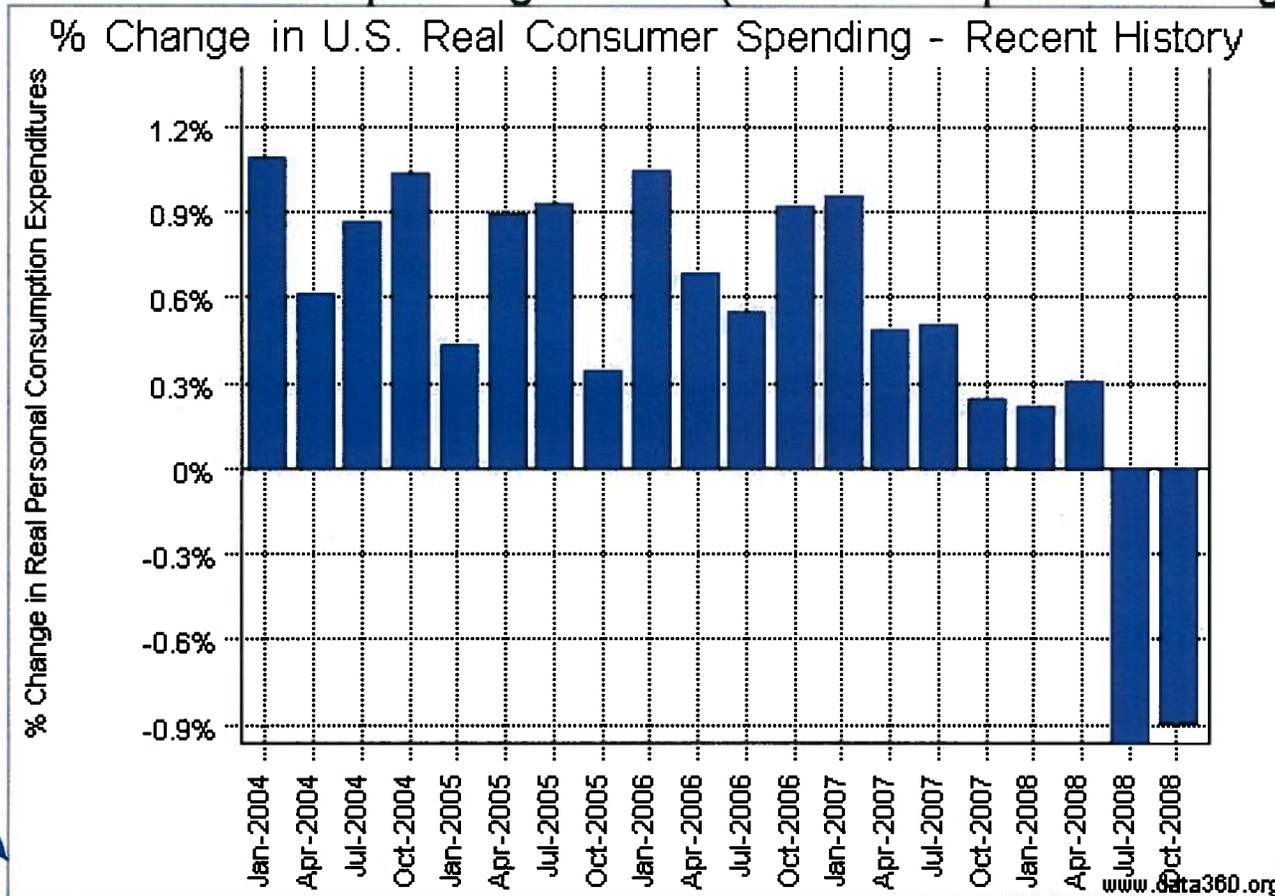
- U.S. Credit crunch is a global financial crisis
  - Credit is scarce; cost of borrowing has increased



## National Economy

- Recession has worsened and economic forecasts have been revised downward

Real Consumer Spending Growth (Annualized percent change)



## State Economy

- State unable to balance budget
- Credit Downgrade to “A” (lowest of all 50 states)
- \$42 billion projected deficit by June 2010
- State seizure of Educational Revenue Augmentation Funds (ERAF)
  - \$2.1 million annually
  - Downtown projects delayed
    - Macdonald Ave. Streetscape (19<sup>th</sup> to 39<sup>th</sup>) \$6.9 million
- Motor Vehicle License Fees paid after State’s expenses
  - monthly receipt is unpredictable
  - Current receipts are down \$300,000
- Documentary Transfer Tax revenues are down \$500,000
  - Revenues collected from home purchases

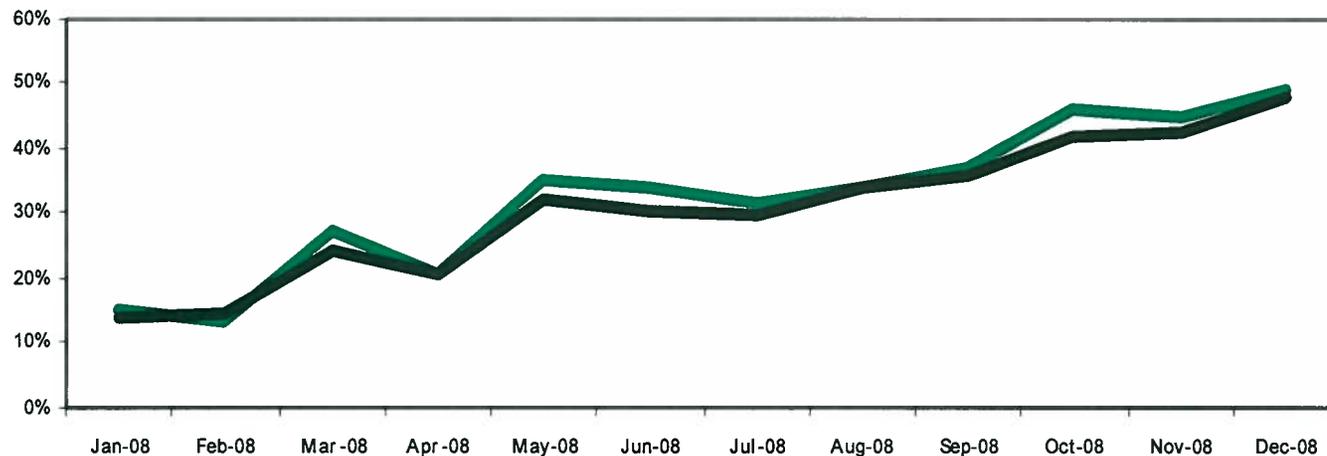


# Local Economy

- Jobless claims have jumped
- Richmond Unemployment Rate for December 2008 is 12.4%

## Initial Claims for Unemployment Insurance Year-Over-Year Growth

Initial Claims for Unemployment Insurance:  
Year-Over-Year Growth

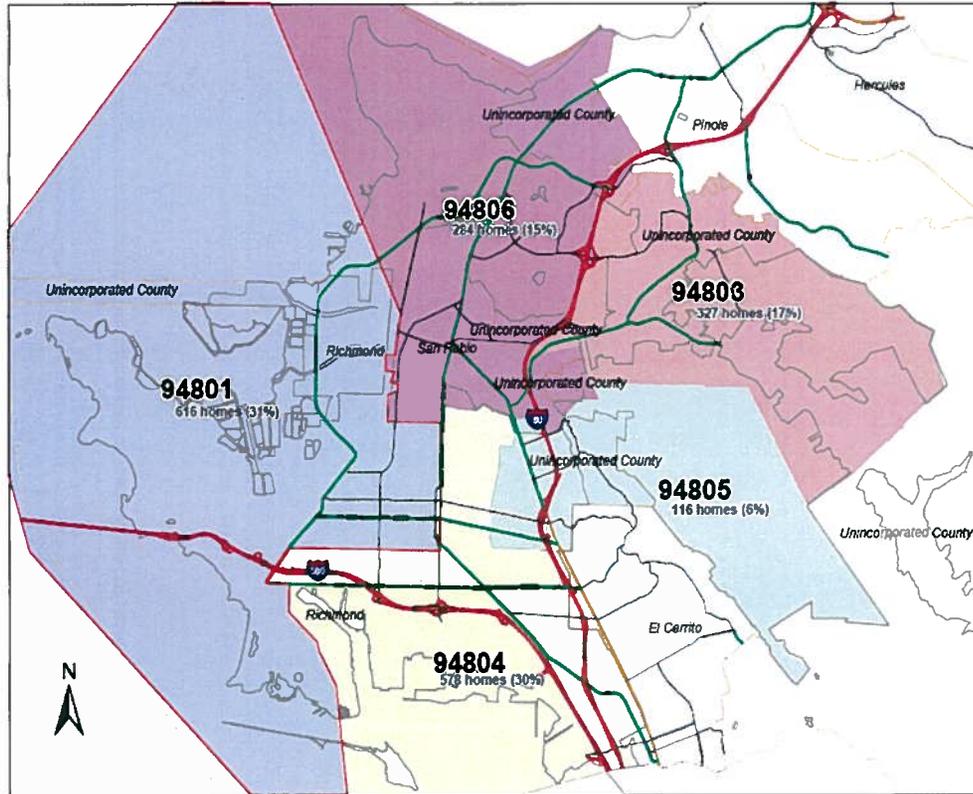


	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08
Contra Costa County	15%	13%	27%	20%	35%	34%	31%	34%	37%	46%	45%	49%
Richmond	14%	14%	24%	21%	32%	30%	29%	34%	36%	42%	43%	48%

Richmond Initial Claims increased 43% from Nov 2007 to Nov 2008  
"Full Employment" is 3%



# Local Economy

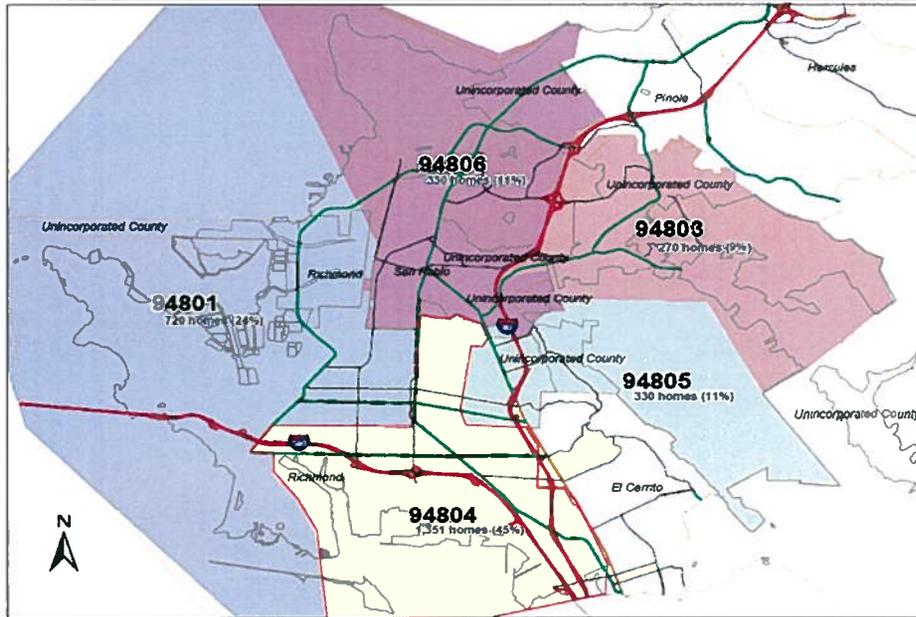


Zip Code	Residential Parcel <sup>1</sup>	Bank-Owned <sup>2</sup>	Current Distribution of Foreclosures
94801	6,945	622	32.3%
94803	3,703	330	17.1%
94804	11,558	575	29.9%
94805	4,472	115	6.0%
94806	3,794	284	14.7%
Total	30,472	1,926	100.0%

6.3% (1,926) of Richmond homes in foreclosure as of February 2009

- Zip Code 94801 has the largest number of bank-owned homes
  - North Richmond, Belding Woods & Iron Triangle Neighborhoods

# Local Economy



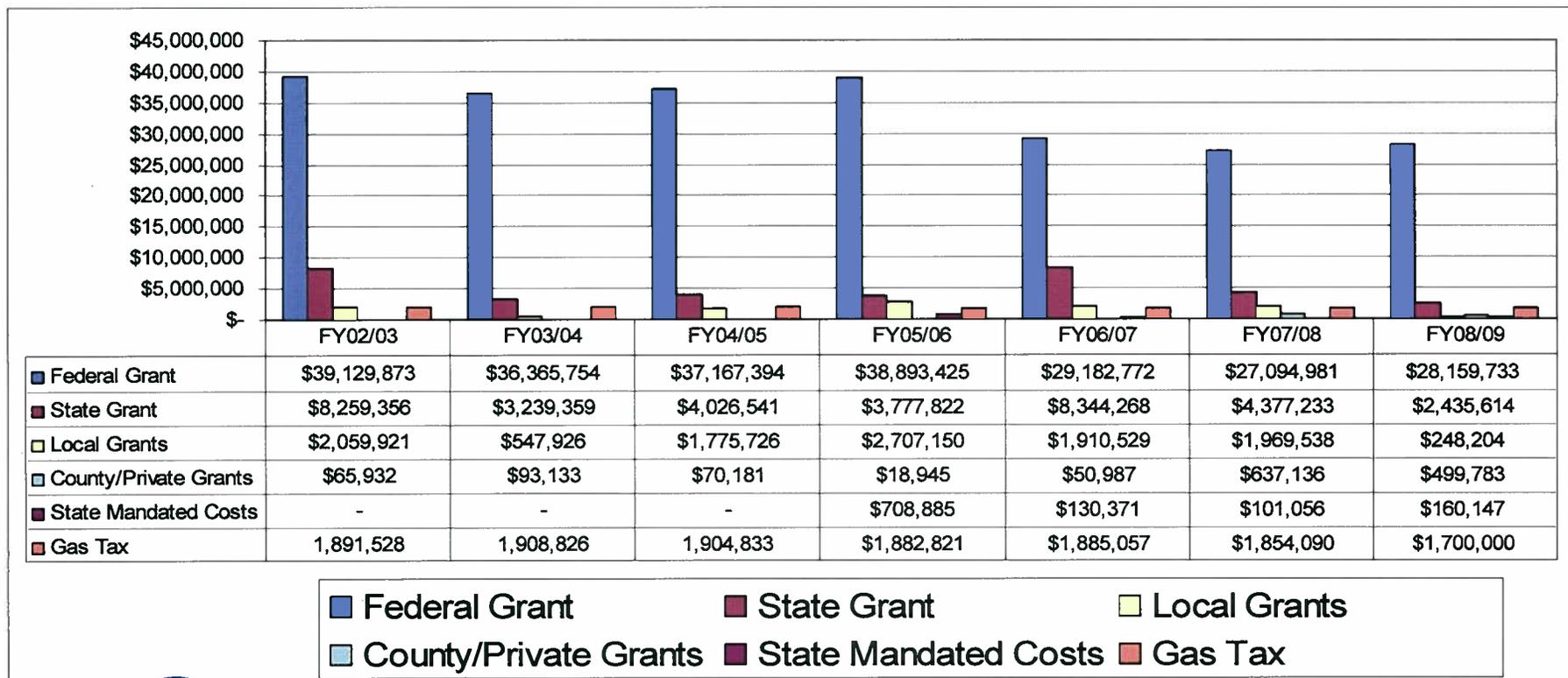
- 9.8% (3001) of Richmond homes estimated to be in foreclosure by March 2010
  - Zip Code 94804 has the largest number of SubPrime Mortgages
    - Santa Fe, Coronado, Cortez-Stege, Pullman, Marina & Plaza Neighborhoods

Zip Code	Residential Parcel <sup>1</sup>	Current Bank Owned	Current Distribution of Foreclosures	Homes with SubPrime Mortgages	Estimated Future Bank Owned	Estimated Future Distribution of Foreclosures
94801	6,945	622	32.3%	608	714	23.8%
94803	3,703	330	17.1%	94	282	9.4%
94804	11,558	575	29.9%	1299	1341	44.7%
94805	4,472	115	6.0%	144	339	11.3%
94806	3,794	284	14.7%	142	324	10.8%
Total	30,472	1,926	100.0%	2287	3001	100.0%



## Grant Revenues

- Total \$50.3 million in grant revenue from Federal, State and Local Agencies
- \$33.2 million to be received in FY2008/2009



# Grant Revenues FY2009

GRANT SOURCE	PROJECT	F/S/P/O	AWARD
<b>Engineering</b>			
California Heritage Fund	Natorium (Plunge)*	S	\$245,500
California Cultural & Historical Endowment (CCHE)	Natorium (Plunge)*	S	\$2,081,800
2000 Bond Act - Roberti-Z'berg-Harris Block Grant Program	Natorium (Plunge)*	S	\$274,859
2000 Bond Act Murray-Hayden Program	Natorium (Plunge) - Seismic retrofit*	S	\$378,000
	<b>Total Plunge:</b>		<b>\$2,980,159</b>
Department of Transportation	Red Oak Victory Restoration Project	P	\$1,003,000
State of California - Resources Agency	Martin Luther King Park*	S	\$2,500,000
Department of Transportation	Doman Dr/Garrard Tunnel	P	\$500,000
Dept of Transportation - Install Ped. Cross Walk Lights		P	\$203,000
Proposition 1B	Street Rehabs/Maintenance	S	\$1,670,003
Department of Transportation	Safe Routes to School		\$477,000
Transportation and Land Use Coalition (TALC) - MTC	Safe Routes to Transit Grant - to conduct a study	P	\$200,000
California Department of Transportation	Safe Routes to School	S	\$412,167
California Department of Transportation	Develop a Pedestrian Master Plan	S	\$250,000
Department of Transportation - MTC	Richmond Greenway Phase II	P	\$1,000,000.00

- \$60.7 million Total Grant Revenues (Federal, State Local)
- \$12.8 million State Grant Revenue currently "frozen"



# Grant Revenues FY2009

GRANT SOURCE	PROJECT	F/S/P/O	AWARD
<b>Library</b>			
California State Library	Books & Security	S	\$82,995
Public Library Fund	Run programs	P	\$35,266
<b>Parks &amp; Landscape</b>			
Clara-Belle - Foundation	Open Space	O	\$37,848
Murray-Hayden.....	Skate Park*	S	\$274,859
California Department of Conservation	Recycling grant	S	\$27,498
Department of Forestry and Fire Protection	Planting signature trees at Gateway project locations (RDA)	S	\$31,486
Stewardship Council	Richmond Foodshed Collaborative program	O	\$85,000
<b>Port</b>			
Association of Bay Area Governments (ABAG)	Bay Trail project*	O	\$289,000
SF Bay Conservation and Development Commission (BCDC)	Fill removal at Terminal 4 and other nearby structures*	S	\$608,300
U.S. Department of Homeland Security (FEMA)	Integrated Video Surveillance*	F	\$2,263,520
California Port & Maritime Security Grant	Integrated Video Surveillance*	S	\$754,507
California Port & Maritime Security Grant	Lighting Improvements PPMT*	S	\$2,650,000
California State Coastal Conservancy	Bay Trail project*	O	\$150,000
Caltrans	Bay Trail project*	O	\$350,000
<b>Police</b>			
Office of Emergency Services	Project Safe Neighborhood	S	\$95,000
Safe City (Target)	Reduce Crime and Improve Safety	O	\$300,000



# Grant Revenues FY2009

GRANT SOURCE	PROJECT	FIS/PIO	AWARD
<b>Fire</b>			
Contra Costa Health Services	Hazardous Materials Training	O	\$294,677
Contra Costa Health Services	AB 2185 Inspections	O	\$357,696
Contra Costa Health Services	Hazardous Materials Training	O	\$355,514
County of Contra Costa - Office of the Sheriff (Emerg. Mgmt. Performance Grant (EMPG)	OES Manager Salary	P	\$32,500
Department of Fish of Game - Office of Spill Prevention and Response	Equipment	S	\$32,000
OPR/California Volunteers	Citizen Preparedness & Participation Grant	S	\$100,000
2007 Assistance to Firefighter's Grant (FEMA)	Exercise equipment/Personal Training w/ Kaiser & YMCA	F	\$183,126
<b>Paratransit</b>			
State of CA - Department of Transportation (Sec. 5310)	To purchase two new vehicles	P	\$71,200
Contra Costa Transportation Authority (CCTA)	To supplement senior transportation	O	\$481,802
<b>Employment &amp; Training</b>			
State of California - EDD R970555-201/202 - WIA Adult	Provide job training and employment services	P	\$567,676.00
State of California - EDD R970555-501/502 - WIA Dislocated Worker	Provide job training and employment services	P	\$366,901.00
State of California - EDD R970555-540/541 - WIA Rapid Response*	Provide job training and employment services	P	\$112,900.00
State of California - EDD R970555-301 - WIA Youth	Provide job training and employment services	P	\$567,650.00
State of California - EDD R970555-307 - Federal Economic Stimulus Dislocat	Provide job training and employment services	P	\$100,000.00
State of California - EDD R865477-416 - CalGRIP (CF)	Provide job training and employment services	P	\$347,450.00



# Grant Revenues FY2009

GRANT SOURCE	PROJECT	FS/PIO	AWARD
State of California - EDD R865477-201/202 WIA Adult (CF)	Provide job training and employment services	P	\$89,818.00
State of California - EDD R865477-501/502 WIA Dislocated Worker (CF)	Provide job training and employment services	P	\$50,100.00
State of California - EDD R865477-301/302 WIA Youth (CF)	Provide job training and employment services	P	\$79,965.00
State of California - EDD R865477-113 - WIA Exemplary Performance Award	Provide job training and employment services	P	\$1,685.00
State of California - EDD R865477-424 - WIA Construction Talent Transfer	Provide job training and employment services	P	\$500,000.00
State of California - EDD R760341-671 - WIA RichmondBuild (CF)	Provide job training and employment services	P	\$275,570.00
Alameda County - WIA Life Sciences	Provide job training and employment services	P	\$30,000.00
U.S. Dept. of Housing & Urban Development - YouthBuild (CF)	Provide job training and employment services	F	\$36,859.00
State of California - Employment Training Panel Grant	Provide job training and employment services	S	\$197,478.00
Contra Costa County - Transitional Housing Plus	Provide job training and housing to youth out of foster care	O	\$101,916.00
<p>*Funding requested on Mid-Year Budget Request  **Funds recently received - For future Council approval  (CF) = Amount carried forward from prior year(s)</p>			



# Grant Revenues FY2009

GRANT SOURCE	PROJECT	F/S/P/O	AWARD
<b>Office of Neighborhood Safety</b> Kaiser Permanente East Bay Area State of California - O.E.S. - CalGRIP	Safety street outreach Combat Gang Violence	O P	\$70,000 \$400,000
<b>Richmond Community Redevelopment Agency</b> Community Development Block Grants/Entitlement Grants 07 Home Investment Partnership Program 07 Section 108 Loan (3.5) Section 108 Grant - EDI (1.0) Section 108 Loan (3.0_ Section 108 Grant - BEDI (1.5)	<b>Various public service, economic development, public facility, housing activity and loan agreements</b> North Richmond Iron Triangle, North Richmond Street Improvement Project, Mac Sr Housing, Brookside Ford Building Ford Building	F F F F F F	\$1,399,871 \$765,971 \$3,500,000 \$1,000,000 \$3,000,000 \$1,500,000
<b>Housing Authority</b> Department of HUD Department of HUD Department of HUD Department of HUD Department of HUD Lead Hazard Control	Low Income Public Housing Housing Choice Voucher Program Capital Fund Program Demolition & Revitalization of Severely Distressed Public Hsg Lead Abatement Program	F F F F F	\$1,547,560 \$15,828,000 \$1,583,947 \$2,431,760 \$3,000,000



# Grant Revenues FY2009

GRANT SOURCE	PROJECT	F/S/P/O	AWARD
<b>Planning</b>			
Office of Historic Preservation - Dept of Parks and Recreation	Historic Structure Report	P	\$25,000
United States Department of the Interior	Preserve Richmond to Interpret and Support Memories	F	\$75,000
<b>City Manager</b>			
Department of Conservation DOC/Recycle Grant	Beverage container recycling program	S	\$27,238
West Contra Costa Integrated Waste Management Authority	Recycling	O	\$8,142

**Totals:** \$60,727,580

**Frozen Totals:** \$12,820,345

- F= Federal
- S= State
- P= Pass through
- O= County/Local/Other
- \*=Frozen Grants



# Sales Tax

## Quarterly Sales Tax Analysis - April 2008 – June 2008

	2007/2	2008/2	Change %
<b>General Retail</b>	<b>890,433</b>	<b>887,152</b>	<b>-0.39%</b>
Apparel Stores	112,741	97,406	-13.60%
Department Stores	529,280	527,180	-0.40%
Furniture/Appliance	62,354	52,281	-16.15%
Drug Stores	15,692	17,494	11.48%
Recreation Products	6,895	4,971	-27.90%
Florist/Nursery	30,855	42,562	37.94%
Miscellaneous Retail	132,616	145,258	9.53%
<b>Food Products</b>	<b>242,021</b>	<b>225,952</b>	<b>-6.64%</b>
Restaurants	147,445	143,942	-2.38%
Food Markets	63,960	61,490	-3.86%
Liquor Stores	21,612	12,490	-42.21%
Food Processing Equip	9,004	8,029	-10.83%
<b>Transportation</b>	<b>1,269,442</b>	<b>1,251,431</b>	<b>-1.42%</b>
Auto Parts/Repair	91,325	66,454	-27.23%
Auto Sales/New	386,895	275,225	-28.86%
Auto Sales/Used	103,396	75,470	-27.01%
Service Stations	644,055	781,890	21.40%
Misc. Vehicle Sales	43,771	52,391	19.69%
<b>Business to Business</b>	<b>704,349</b>	<b>409,690</b>	<b>-41.83%</b>
<b>Miscellaneous</b>	<b>38,288</b>	<b>33,099</b>	<b>-13.55%</b>
<b>Total</b>	<b>3,359,460</b>	<b>2,994,445</b>	<b>-10.87%</b>



# FY08/09 Revenue Projections

## REVENUE PROJECTION FY 2008-2009

Revenue	FY08-09 Adopted Budget	FY08-09 Projected Revenue	Variance
Property Taxes	\$ 34,797,258	\$ 33,076,489	\$ (1,720,769)
State Taxes	10,263,744	9,937,999	(325,745)
Sales & Use Tax	22,027,934	22,030,299	2,365
Local Taxes	38,643,728	39,094,637	450,909
Franchise Taxes	4,761,250	4,761,250	-
Licenses	3,433,019	3,433,019	-
Permits	255,000	422,979	167,979
Fees	2,857,241	2,815,349	(41,892)
Fines & Forfeitures	294,780	294,780	-
Interest & Invest In	2,000,000	500,000	(1,500,000)
Rental & Concession	650,000	397,772	(252,228)
Charges for Services	4,425,686	4,367,523	(58,163)
Public Safety Charge	50,000	50,000	-
City Attorney Fees	35,000	35,000	-
Grant Revenue	583,885	489,623	(94,262)
Proceeds:Land,Bldg,E	5,025,000	5,065,000	40,000
Contributions	50,000	50,000	-
Reimbursements	-	13,099	13,099
Other Revenues	1,200,000	3,316,524	2,116,524
Operating Transfers	7,940,500	7,940,500	-
<b>Total Funds Budgeted</b>	<b>\$ 139,294,025</b>	<b>\$ 138,091,842</b>	<b>\$ (1,202,183)</b>
Operating Surplus	2,200,000		
<b>Total Funds Budgeted</b>	<b>\$ 141,494,025</b>	<b>\$ 138,091,842</b>	



# FY08/09 Expenditure Projections

## EXPENDITURE PROJECTION FY 2008-2009

	FY08-09 Adopted Budget	FY08-09 Projected Expenditure	Variance	% Budget Expended to Date
<b>Personnel Expenditures</b>				
Salaries	\$ 54,709,271	\$ 52,410,669	\$ (2,298,602)	57%
Benefits	35,672,060	33,940,915	(1,731,145)	54%
<b>Total Personnel Expenditures</b>	<b>\$ 90,381,331</b>	<b>\$ 86,351,584</b>	<b>\$ (4,029,747)</b>	<b>56%</b>
<b>Operating Expenditures</b>				
Materials & Supplies	\$ 1,630,041	\$ 1,630,041	\$ -	44%
Travel & Training	843,454	843,454	-	44%
Contractual Services	6,625,424	7,600,424	975,000	30%
Maintenance Expense	649,275	649,275	-	50%
Other Operating Expense	2,205,230	2,238,781	33,551	55%
Utilities Expenses	623,980	623,980	-	46%
Internal Services	26,777,080	26,777,080	-	42%
Property, Furniture & Fixtures	419,627	419,627	-	9%
Grant Expenditures	306,672	306,672	-	66%
Debt Service Expenditures	5,684,997	5,684,997	-	30%
Capital Outlays	14,000	14,000	-	-217%
Operating Transfers Out	3,832,914	4,913,137	1,080,223	70%
<b>Total Operating Expenditures</b>	<b>\$ 49,612,694</b>	<b>\$ 51,701,468</b>	<b>\$ 2,088,774</b>	<b>42%</b>
Reserve Contingency	\$ 1,500,000	\$ 38,790		
<b>Total Funds Required</b>	<b>\$ 141,494,025</b>	<b>\$ 138,053,052</b>	<b>\$ (1,940,973)</b>	<b>51%</b>



# Departmental Requests – General Fund

	Increase (Decrease)	Justification
<b>GENERAL FUND</b>		
City Attorney's Office	\$ 200,000	Additional outside legal services.
Library	\$ 129,351	\$66,100 - Increase hours for a total of 8 positions from 30 to 37.5 hour per week. \$29,700 - Convert 3 Contract Tutors to 3 Administrative Student Interns. \$33,551 - Insurance settlement costs from roof leak; will replace damaged books.
Police	\$ 1,000,000	Additional sworn overtime and recruiting expenses for the year funded by <b>Richmond Community Benefit Agreement (RCBA)</b> .
Office of Neighborhood Safety	\$ 775,000	Additional Neighborhood Change Agents, Peacekeepers and other programs funded by <b>Richmond Community Benefits Agreement (RCBA)</b> .
<b>Operating Transfers</b>		
	\$ 700,000	Operating transfer from General Fund to Stormwater Fund for Baykeeper and Toxic Coalition settlement agreement.
	\$ 52,744	Operating transfer from General Fund to Hilltop LMD Fund for operating subsidy from FY2006-07.
	\$ 327,479	Operating transfer from General Fund to Paratransit Fund for 3 drivers and 1 Office Aide for add'l 6 months; and Paratransit software appropriation from fund balance.
<i>Sub-Total Operating Transfers</i>	\$ 1,080,223	
	\$ 3,184,574	<b>Total General Fund Departmental Requests</b>
	\$ (5,125,547)	<b>Salary and Benefit Savings</b>
	\$ (1,940,973)	<b>Net General Fund Required</b>
	\$ 1,775,000	<b>Funded by Richmond Community Benefit Agreement</b>



# Vacancies as of 12/31/08

Department	Position Requests & Vacant Positions 12-31-08	Total Salary & Benefits per Month for Number of Vacant Positions	Total dollar amount for the number of Months Vacant from July 1, 2008 December 31, 2008	Total dollar amount for 6 months vacant from January 1, 2009 to June 30, 2009
CITY CLERK	1.0	5,984	-	35,905
CITY MANAGER	1.0	-	-	-
FINANCE DEPARTMENT	2.0	23,730	142,378	142,378
HUMAN RESOURCES	1.0	5,983	11,965	35,896
POLICE DEPARTMENT - SWORN	20.0	227,799	1,031,991	1,366,791
POLICE DEPARTMENT NON-SWORN	18.0	143,858	769,963	863,146
FIRE DEPARTMENT	10.0	139,627	837,760	837,760
PUBLIC WORKS	5.0	40,094	109,196	240,561
ENGINEERING	2.0	17,981	107,886	107,886
WASTEWATER	3.0	26,058	156,348	156,348
LIBRARY	2.0	11,438	5,447	68,630
RECREATION DEPARTMENT	3.0	19,518	-	117,110
RICHMOND COMMUNITY REDEVELOPMENT AGENCY (R	3.0	34,957	209,739	209,739
EMPLOYMENT & TRAINING	3.0	23,364	59,450	140,185
RICHMOND HOUSING AUTHORITY	2.0	11,784	55,311	70,704
PORT	1.0	12,220	36,661	73,323
<b>GRAND TOTAL - ALL DEPARTMENTS</b>	<b>77.0</b>	<b>744,394</b>	<b>3,534,096</b>	<b>4,466,362</b>
<b>General Fund Salary Savings</b>	<b>62.0</b>	<b>608,811</b>	<b>2,908,700</b>	<b>3,652,865</b>



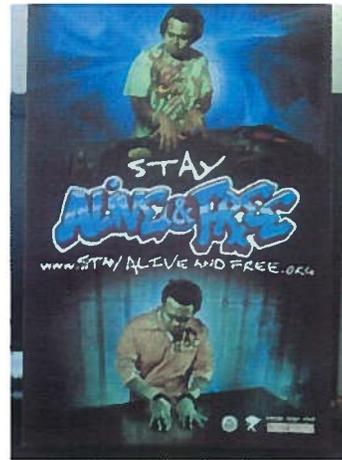
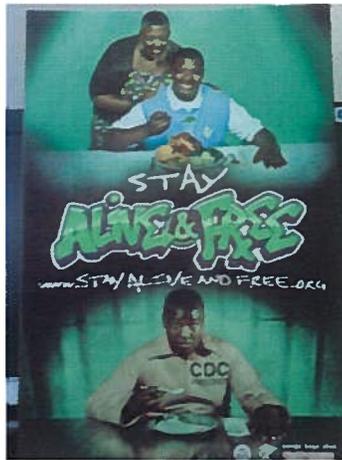
## Investments in Public Safety



- New Police Facility \$7.6 million
  - Salary Increase for Sworn Personnel \$4.5 million for 3 years
  - Cost of 8 Additional Police Officers = \$1.2 million annually
  - Cost of Police Cameras \$2.3 million
- 
- Decrease in Crime from 2007 to 2008
    - Homicide decrease 40%
    - Aggravated Assault decrease 22%
    - Burglary decrease 4%
    - Theft decrease 7%
    - Auto Theft decrease 18%
    - Auto Burglary decrease 9%

## Investments in Public Safety

- Office of Neighborhood Safety \$908,000
  - Served 261 clients
    - Conflict Mediation and Street Outreach



- 4 ONS collaborations with faith- and community-based organizations
- Served 600 Youth through 2 Sports Camps
- Christmas Baskets to Families

## Investments in Sustainability

City-wide investment \$46.5 million over 3 years

Activities include Fire Prevention, Street Maintenance, Code Enforcement, After School Programs, Libraries,

- City of Richmond Environmental Sustainability Team (CREST)
  - Adopted Urban Environmental Accords
    - City has created a “Green Team”
    - Energy
    - Waste Reduction
    - Urban Design
    - Urban Nature
    - Transportation
    - Environmental Health
    - Water



## Investments in Sustainability



**Solar Panels on Civic Center**

- Energy
  - Renewable Energy • Energy Efficiency • Green House Reduction
- Waste Reduction
  - Zero Waste Policy • Toxics Elimination • Increase Recycling
- Urban Design
  - Green Building • Sustainable Urban Planning • Environmental Beneficial Jobs

## Investments in Sustainability



**Energy Efficient Car**



**California Youth Energy Services Team**

- Urban Nature
  - Parks • Habitat Restoration • Wildlife
- Transportation
  - Public Transportation • Clean Vehicles • Reducing Congestion
- Environmental Health
  - Toxics Reduction • Healthy Food Systems • Clean Air
- Water
  - Water Access & Efficiency • Source Water Conservation • Waste Water Reduction

## Investments in Sustainability



- Youth Training, Home Improvement and Solar (YTHIS) Program
  - Solar Installation
  - Interior and exterior home rehabilitation
  - Exterior painting
  - Youth Employment and Training
  - E&T works collaboratively with Housing Division
- Program Financing \$766,800
  - Community Development Block Grant Funds \$286,800
  - State of California CalHome Funds \$480,000

## Investments in Sustainability

- City has established Housing Stabilization Initiative
  - Comprehensive foreclosure prevention and mitigation strategies coordinated county-wide
  - Develop and Implement Neighborhood Stabilization Program in Target Neighborhoods

Homebuyer Financing	\$	334,610
Acquisition, Rehabilitation and Disposition	\$	1,338,442
Land Banking	\$	334,610
Demolition	\$	501,916
Redeveloping Vacant Property	\$	501,916
	Subtotal	<u>\$ 3,011,494</u>
<u>General Administration and Planning</u>	\$	<u>334,611</u>
<b>Total Direct HUD Allocation</b>	<b>\$</b>	<b><u><u>3,346,105</u></u></b>

<b>Areas of Greatest Needs (by Zip Code)</b>	<b>Neighborhoods with Greatest Needs</b>
94801	North Richmond, Belding-Wood & Iron Triangle
94804	Santa Fe, Coronado, Cortez-Stege, Pullman & Plaza
94806	Parchester and Hilltop/Fairmeade



## Investments in Infrastructure

- **New ERP Systems \$1.8 million**
  - **MUNIS**
    - Total Staff Hours to date 13,811
    - Significant improvement on controls and reporting
    - Interfaces with Cash and Investment Management software
    - Provides more details on Purchase Orders
    - Digitized supporting documentation for all transactions uploaded and available within system
    - Enhanced grant reporting
    - Streamlines processes through workflow feature
  - **CRW TrackIT**
    - Total Staff Hours to date 3,600
    - Single Database for all land management activity
      - Electronic file is virtually paperless
      - Property record at parcel level
      - Details include all permits issued, inspections, outstanding code enforcement issues, business license status
    - Ability to create a “One Stop” Scenario for issuing all permits
    - Integration with City’s Financial System



## Investments in Infrastructure



- Streets and Roads \$33 million over 3 years
  - Repaired 52,113 square feet of sidewalk.
  - 18 miles of Wastewater Collection Systems were inspected and cleaned.
  - 2,400 graffiti abatements within 48 hours of initial report.
  - Paving Condition Index (PCI) increased from 46 to 51
    - 39% of City streets at or above 65 PCI

## Investments in Public Facilities



- Community Centers \$2.2 million over 3 years
  - Registered 12,005 Participants

## Investments in Public Facilities

- Community Centers
  - Established 55 new programs
  - 180 scheduled activities



## Investments in Public Facilities

- Community Centers
  - 12 Centers City-wide
  - 139 Hours open every week



Shields-Reid  
Roof Repairs

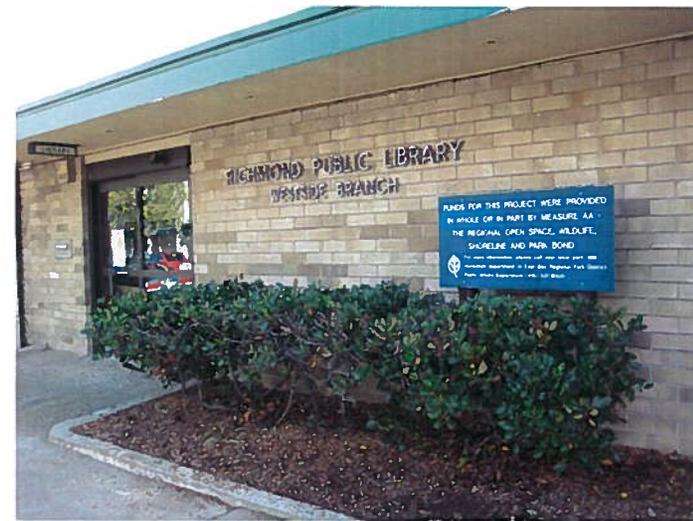


## Investments in Public Facilities



- Civic Center Project
  - Budget \$101 million
  - Expended to date \$51.4 million
  - Occupancy Date April 2009

# Investments in Public Facilities



	Total Circulation	Total Visits
FY05-06	139,097	161,650
FY06-07	164,071	181,413
FY07-08	172,354	208,962
FY08-09 Projected	172,354	208,962

- Libraries \$270,000 over 3 years
  - Opened Westside and Bayview Branch Libraries

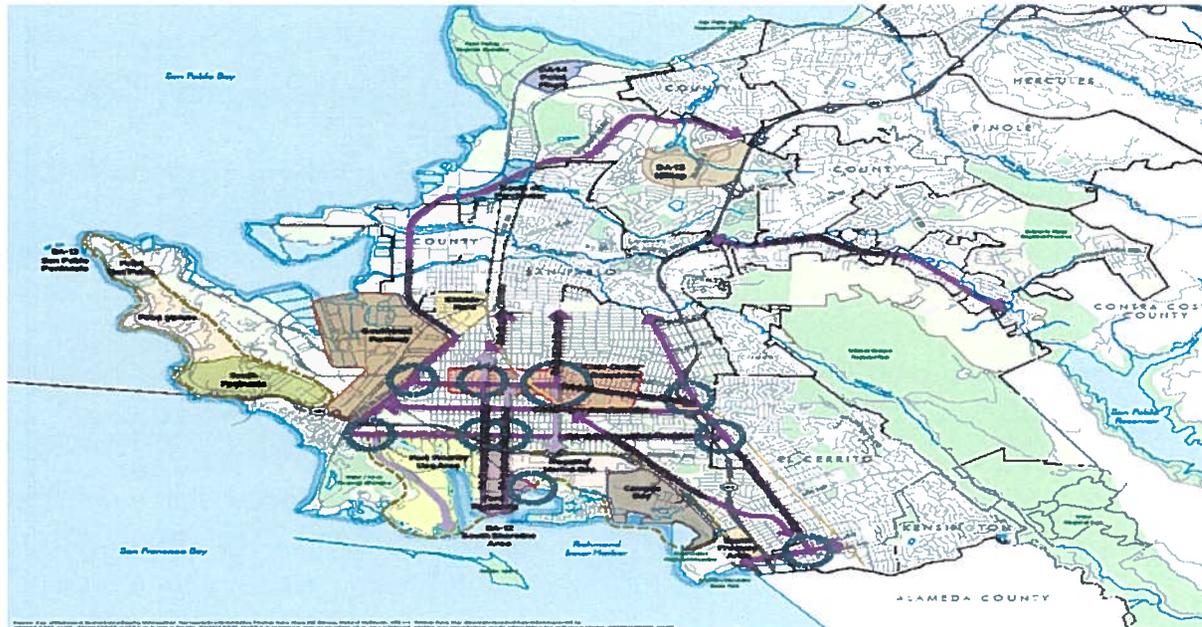


## Investments in Public Facilities

- Richmond Plunge
  - \$2.8 million Budget



# Investments in General Plan



General Plan Discussion Areas  
Version 3.1

- City of Richmond
- Other Jurisdictions
- Key Opportunity Nodes
- Key Opportunity Corridors
- 32-Mile Richmond Shoreline
- Parks
- Waterbodies



- Target Adoption Date 4<sup>th</sup> Quarter 2009

## Elements

- Economic Development
- Education
- Community Facilities & Infrastructure
- Energy & Climate Change
- Growth Management
- Public Safety & Noise

- Arts & Culture
- National Historic Park
- Park & Recreation
- Circulation
- Conservation & Natural Resources
- Health & Wellness
- Historic Resources
- Housing

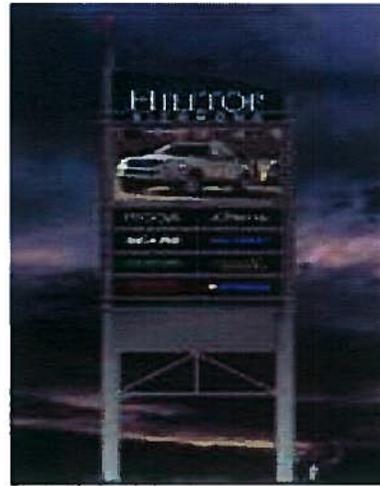


## Investments in General Plan

- Long Term Strategic Plan to Guide City's Growth
  - \$1.9 million Budget
  - \$1.6 million expended to date
  - 15 Community Meetings
  - 2,400 Participants



## Investments in Economic Development



- \$ 33 million Budget
  - BART Parking Garage
  - Downtown Main Street Program
  - I-80 Shopping Center Expansion
  - Façade Improvement Program

# Investments in Economic Development

- Honda Port of Entry
  - \$37.98 million Capital Improvement Budget

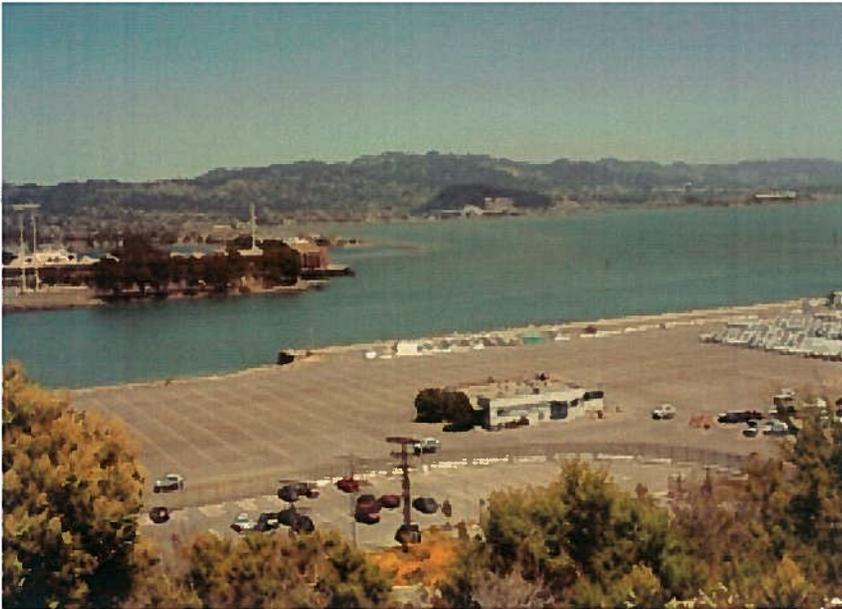


Figure 2  
Overview of Existing PPMT Facilities

Source: TransDev/Agipac Group

# Investments in Economic Development

- Honda Port of Entry
  - \$88 million Revenue over 15 years

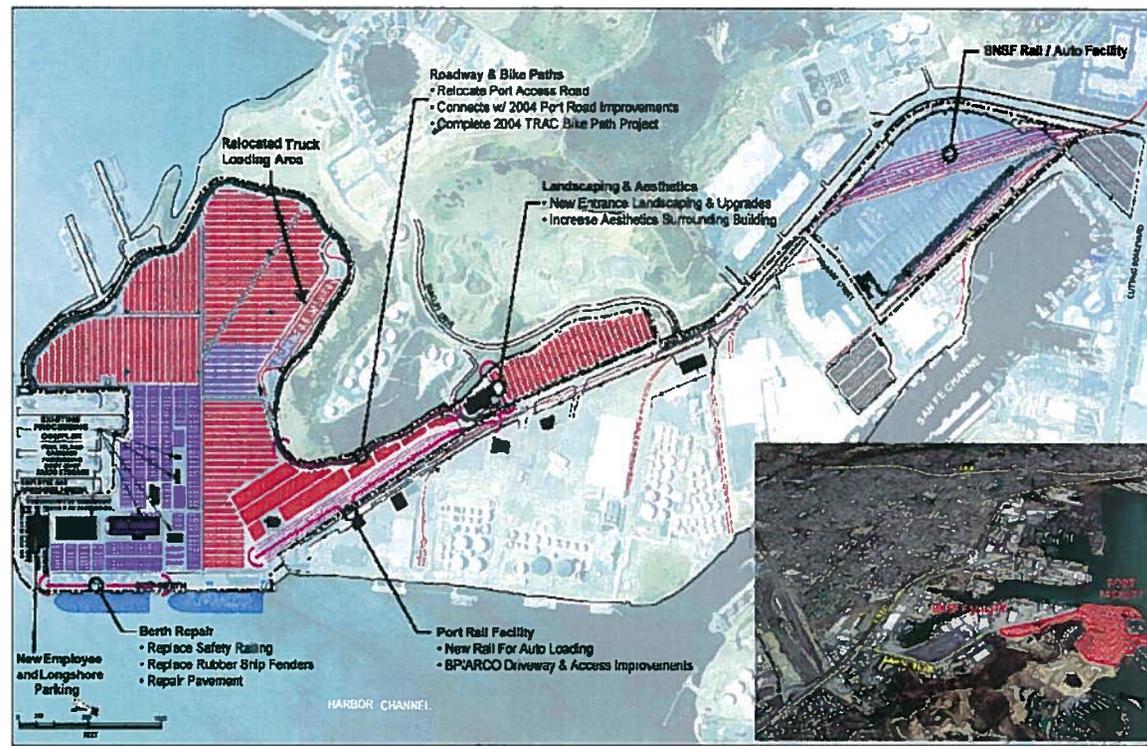


Figure 3

Proposed Improvement Areas

Source: TransDevelopment Group

## Investments in Community Development

- RichmondWORKS One Stop Career Center Accomplishments
  - 2,400 job seekers utilized the RichmondWORKS Career Center for a total of 14,615 customer visits
  - 800 job placements with area employers
  - 694 Enterprise Zone Hiring Tax Credit vouchers issued to Richmond businesses



\$4.4 million over 3 years

## Investments in Community Development



\$679,000 over 3 years

- RichmondBUILD Pre-apprenticeship Construction Skills & Solar Installation Training Program
  - Solar Tech & Solar Installation
  - Solar Thermal
  - Energy Efficiency
  - Basic Electrical
  - Welding
  - Scaffolding
  - Plumbing
  - *2008 FBI Director's Community Leadership Award Recipient*
  - *2009 Harvard Innovations in Government Award (semi-finalist)*
  - *Recognized as a national "Best Practice"*

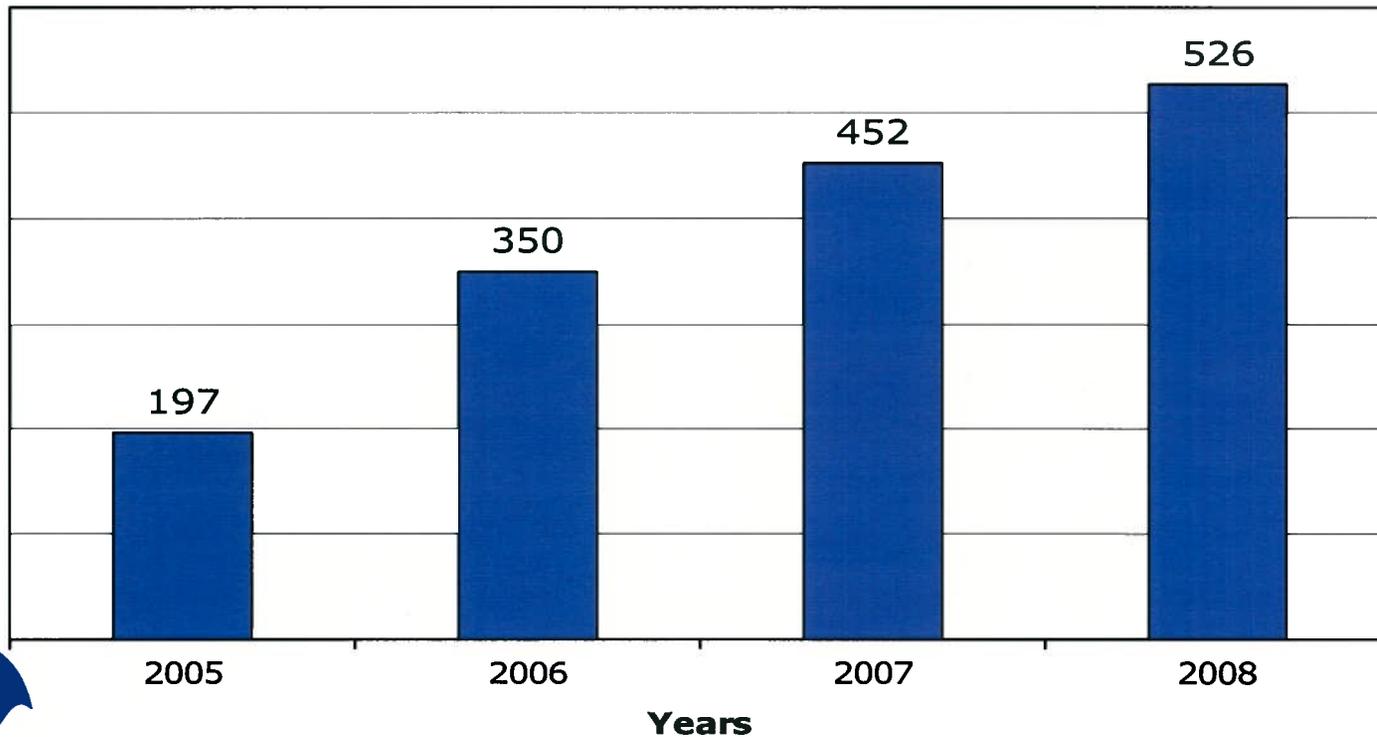


# Investments in Community Development

**\$902,000**  
over 3 years

Summer Youth Employment Program  
526 Youth Placed in Jobs

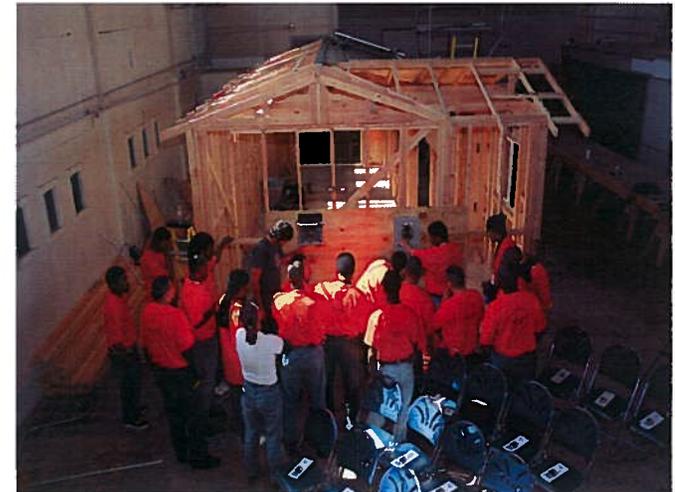
**Annual number of youth trained and placed in the workplace**



## Investments in Community Development

Employment & Training  
2009 Chevron Community Benefits Agreement  
\$1,175,000

<u>Item</u>	<u>Service Level</u>
• Richmond BUILD	150 residents
• Industrial Arts	125
• One Stop Services	125
• Youth Employment	75
• <u>Academic/test prep</u>	125
• Total residents to be served	600



## Challenges Ahead

- **Stormwater**
- **Paratransit**
- **Loss of Property Taxes**
- **Declining Retail Sales**
- **Police Overtime/Filling Vacancies**
- **\$19 million annually in unfunded street paving**
- **Finance \$38 million Port Improvements**
- **Refunding of Civic Center Bonds \$101 million**
- **Funding Wastewater Capital Improvements \$25 million**



# Budget Calendar

<i><b>ACTION/ACTIVITY</b></i>	<i><b>DATE</b></i>
5 – Year Strategic Business Plan Presentation to Senior Management	February 18, 2009
5 – Year Strategic Business Plan City Council Workshop	March 24, 2009
Internal Budget Hearings on First Draft of Proposed FY2009-10 Operating & CIP Budgets	March 16 – April 3, 2009
Community Budget Hearings	April & May 2009
Fiscal Year 2009-2010 Proposed Operating & CIP to City Council	May 5, 2009
Financial overview and budget presentation. City departments' budget presentations. Checklist created.	May 19, 2009
Council decision on checklist items	June 2, 2009
Council to adopt budget.	June 16, 2009

