



CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

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February 8, 2017

TRANSACTIONS AND USE TAX CITIZENS' ADVISORY COMMITTEE MEMBERS

City of Long Beach
California

RECOMMENDATION:

Recommendation to confirm that the City Manager's proposed revisions to the Measure A spending plan in the FY 17 Adopted Budget conform with the intent of Resolution No. RES-16-0018 prioritizing spending and with the language contained in the ballot measure expressed in Resolution No. RES-16-0017.

DISCUSSION

The City Manager is proposing revisions to the Measure A spending plan contained in the FY 17 Adopted Budget in order to address the City Council's November 22, 2016 motion, which requested the City Manager to evaluate new and ongoing revenue sources and further requested the City Manager to evaluate and report back to the City Council the feasibility of a short- and long-term plan for additional public safety restorations. The Long Beach Police and Fire Departments' number one priorities: restoration of Fire Engine 8 and the reestablishment of Police South Division have been funded as part of the FY 17 budget process. In a January 9, 2017 report to the City Council (Attachment A), staff recommended the funding of the Long Beach Police and Fire Departments' next top priorities: the restoration of Paramedic Rescue 12 and the reinstatement of Police Academy Operations. These restorations would cost \$1.5 million in FY 17 and \$2.5 million in FY 18 and beyond. In order to fund these restorations, for FY 17, \$1.5 million of residential street repair will be deferred until FY 18. Impacts to other infrastructure projects in FY 18 and FY 19 will be determined as part of those budget processes.

In addition to the public safety restorations, staff reviewed other Public Safety infrastructure needs that are time-sensitive. Therefore, staff is proposing an additional \$500,000 in residential street repair be deferred until FY 18 in order to fund time sensitive Fire Station roof repair projects.

The charts on the following page show the current and revised Measure A uses for FY 17 as well as a table comparing the FY 17 Measure A approved uses to the proposed revised uses. Attachment B contains a list comparing the original to the revised FY 17 infrastructure projects.

Summary of FY 17 Measure A Revenue and Expenditures

<i>FY 17 Approved Measure A - Approved Spending Plan</i>	Total	Structural Portion	One-time Portion	Sworn FTE Added	Non-Sworn FTE Added
Uses of Measure A					
Invest in Infrastructure (Attachment)	\$27,239,000	\$ 16,193,557	\$11,045,443	-	-
Reestablish Police's South Division	2,372,829	1,538,272	834,557	8.00	2.00
Restore Fire Engine 8	2,296,881	2,296,881	-	12.00	-
Maintain Police Services	2,254,496	2,254,496	-	-	-
Maintain Fire Services	909,853	909,853	-	-	-
Contribute to Rainy Day Fund (Measure B)	360,000	360,000	-	-	-
Administer Measure A Tax	206,942	206,942	-	-	1.00
Total Uses of Measure A	\$35,640,000	\$ 23,760,000	\$11,880,000	20.00	3.00

<i>FY 17 Approved Measure A - Proposed Revisions to Spending Plan</i>	Total	Structural Portion	One-time Portion	Sworn FTE Added	Non-Sworn FTE Added
Uses of Measure A					
Invest in Infrastructure (Attachment)	\$25,739,000	\$ 14,693,557	\$11,045,443	-	-
Reestablish Police's South Division	2,372,829	1,538,272	834,557	8.00	2.00
Restore Fire Engine 8	2,296,881	2,296,881	-	12.00	-
<i>Restore Paramedic Rescue 12*</i>	<i>650,000</i>	<i>650,000</i>	-	<i>6.00</i>	-
<i>Reinstate Police Academy Staffing*</i>	<i>850,000</i>	<i>850,000</i>	-	<i>9.00</i>	-
Maintain Police Services	2,254,496	2,254,496	-	-	-
Maintain Fire Services	909,853	909,853	-	-	-
Contribute to Rainy Day Fund (Measure B)	360,000	360,000	-	-	-
Administer Measure A Tax	206,942	206,942	-	-	1.00
Total Uses of Measure A	\$35,640,000	\$ 23,760,000	\$11,880,000	35.00	3.00

* The amounts listed assumes a start date of March 1, 2017. The full annual cost of the additional restorations is estimated to be \$2.5 million.

<i>FY 17 Measure A Uses - Approved v. Proposed</i>	Total Approved (\$)	Total Proposed (\$)	Change (+/-) (\$)	Total Approved (FTEs)	Total Proposed (FTEs)	Change (+/-) (FTEs)
Uses of Measure A						
Invest in Infrastructure (Attachment)	\$ 27,239,000	\$ 25,739,000	\$ (1,500,000)	-	-	-
Reestablish Police's South Division	2,372,829	2,372,829	-	8.00	8.00	-
Restore Fire Engine 8	2,296,881	2,296,881	-	12.00	12.00	-
<i>Restore Paramedic Rescue 12*</i>	-	<i>650,000</i>	<i>650,000</i>	-	<i>6.00</i>	<i>6.00</i>
<i>Reinstate Police Academy Staffing*</i>	-	<i>850,000</i>	<i>850,000</i>	-	<i>9.00</i>	<i>9.00</i>
Maintain Police Services	2,254,496	2,254,496	-	-	-	-
Maintain Fire Services	909,853	909,853	-	-	-	-
Contribute to Rainy Day Fund (Measure B)	360,000	360,000	-	-	-	-
Administer Measure A Tax	206,942	206,942	-	-	-	-
Total Uses of Measure A	\$ 35,640,000	\$ 35,640,000	\$ -	20.00	35.00	15.00

* The amounts listed assumes a start date of March 1, 2017. The full annual cost of the additional restorations is estimated to be \$2.5 million.

SUGGESTED ACTION:

Approve recommendation.

ATTACHMENTS



Date: January 9, 2017

To: Patrick H. West, City Manager *T.H.W.*

From: John Gross, Director of Financial Management *JG*

For: Mayor and Members of the City Council

Subject: **Additional Public Safety Restorations for FY 17 Using Measure A**

On November 22, 2016, the City Council approved a motion to request the City Manager to evaluate new and ongoing revenue sources, make the necessary preparations to restore Paramedic Rescue 12 in January 2017, and evaluate if additional concurrent restorations are feasible according to the Fire Chief's restoration priority list. The motion also requested the City Manager to evaluate and report back to the City Council within 90 days the feasibility for additional public safety restorations on a short-term and long-term plan Public Safety. This report addresses a portion of the City Council's directed motion, and recommends restoring Paramedic Rescue 12, which includes six sworn positions, as well as restoring Police Academy operations using Measure A funds. A follow-up report to be released by early February will address the remainder of the City Council's motion.

New and Ongoing Revenue Sources

City staff is currently in the process of evaluating the timing and funding available from the three recently passed ballot measures: City Marijuana Taxation Measure MA, County Park Measure A, and County Transportation Measure M. When the evaluation is completed, findings will be addressed in the February report. City staff is also completing its evaluation and recommendations for the use of Measure A, which will also be detailed in the follow-up report.

Public Safety Restorations

City staff is proposing that an additional \$2.5 million of the Measure A structural revenue be used for additional Public Safety restorations. The full priority lists of the Police and Fire Chiefs will be included in the follow-up report; however, \$2.5 million in additional funding is sufficient to fund the following top priorities.

Fire Service Restorations: Paramedic Rescue 12

Decisions on apparatus restorations are based on data from call volume, response times and coverage. Based on call volume, the restoration of Paramedic Rescue 12 is the Fire Department's top priority and would provide coverage to the north end of Long Beach. The response time in this area consistently fall below our benchmark of eight minutes. Paramedic Rescue 12's restoration would improve the Fire Department's response delivery system as a whole and reduce response time to medical emergencies in Paramedic

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Rescue 12's first-in area, as well as the entire City. Restoring Paramedic Rescue 12 would increase the number of Advanced Life Support-capable resources from eight to nine. The annual cost to restore Paramedic Rescue 12 is approximately \$1.1 million for six FTEs, constant staffing, overtime, and materials/supplies. The restoration would increase the daily sworn firefighter staffing by two. The addition of six firefighting employees would also increase suppression capabilities in the event of a major or regional emergency incident, in which all available resources would be called back into service (surge capacity).

Police Service Restorations: Reinstate Police Academy Operations

Contemporary dynamics across the country have created a challenging environment for police operations in the areas of recruitment, hiring, training, and retention. Similar to many agencies across the country and in the Los Angeles region, the Long Beach Police Department (PD) is concerned over its ability to maintain its budgeted staffing levels. During the most recent recession, the PD eliminated a total of 351 positions, including 208 sworn positions, and halted the operation of Police Academies between FY 10 and FY 12. Police Academies are necessary to train new Police Officer Trainees into state-certified Police Officers. Annual Police Academies resumed in FY 13 and two back-to-back academies were held in calendar year 2016. Notwithstanding these recent efforts, the ongoing difficulties with recruitment, training, and retention, combined with organizational attrition, have made it difficult for the Department to maintain budgeted staffing levels. In the near future, this issue is likely to worsen as the Department's demographic composition indicates a possible attrition rate between 40 and 50 police officers per year over the next five years. Maintaining sworn budgeted staffing levels is critical given that current levels are lower when compared to pre-recession levels and workload indicators are on the rise.

Due to budget reductions that occurred between FY 10 and FY 12, the PD eliminated 11 positions from its Training Division. As the economy improved, operation of the Police Academies resumed, however structural funding for positions overseeing recruitment efforts, Academy operations, recruit instruction and training were not explicitly restored. Since FY 13, in order to accomplish the mission of operating Policy Academy classes, the PD has had to direct officers previously working normal police patrol functions, to receive state-mandated training and certifications in order to work as instructors at the Police Academy. The resulting reduction in police officers available for normal operations has placed a strain on patrol resources that is difficult to sustain. Restoring \$1.4 million in structural appropriation would fund nine sworn FTEs assigned to the Support Bureau Training Division. The functions for these FTEs are summarized below:

- One sergeant and seven police officers to perform recruitment, hiring and training for the Police Academy; and,
- One sergeant to oversee the background investigations section that investigates hundreds of police recruit applicants and City employees each year to ensure quality selection of PD and City candidates for employment.

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This investment in Police Academy training will have the additional benefit of increasing available sworn patrol staff to be deployed in response to crime activity in the City. The PD considered enhancing other operations, such as specialized units, but believes that the capacity limitations that exist in the current Academy staffing plan need to be addressed first as the top priority to make it easier to onboard new police officers to fill available positions.

Revised Measure A Plan

If approved by the City Council, both the Police and Fire restorations could take effect on March 1, 2017. Given the partial first year, the cost of the additional restorations would be \$1.5 million in FY 17 and \$2.5 million in FY 18 and beyond. This would require changes to the Measure A plan as approved in the FY 17 Adopted Budget. The revised Measure A Plan will be reviewed by the Transactions and Use Tax Citizens Advisory Committee in early February for their input as to conformance with the intent of the City Council's resolution prioritizing spending for Measure A and with the language contained in the ballot measure. City staff then plans to bring forward a budget appropriation for the additional public safety restorations for City Council's approval in mid-February. The remainder of the report addressing the motion on public safety restorations will be available prior to the request for City Council action.

JG:LE
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CC: CHARLES PARKIN, CITY ATTORNEY
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REBECCA JIMENEZ, ASSISTANT TO THE CITY MANAGER
LEA D. ERIKSEN, ASSISTANT FINANCE DIRECTOR
DEPARTMENT HEADS

**Measure A - Funding
Year One
Infrastructure Project List**

	FY 17 Approved	FY 17 Revised	Difference
Street Rehabilitation	\$ 19,520,000	\$ 17,520,000	\$ (2,000,000)
Arterial Street Improvements	\$ 4,840,000	\$ 4,840,000	\$ -
Residential Street Repair	\$ 13,080,000	\$ 11,080,000	\$ (2,000,000)
Alley Management Plan	\$ 300,000	\$ 300,000	\$ -
Naples Bridge Improvements	\$ 100,000	\$ 100,000	\$ -
Parking Garage Improvements	\$ 1,200,000	\$ 1,200,000	\$ -
Public Facilities	\$ 1,571,000	\$ 2,071,000	\$ 500,000
Fire Station 9	\$ 125,000	\$ 125,000	\$ -
Fire Station Roofs	\$ 150,000	\$ 650,000	\$ 500,000
Police Crime Lab	\$ 200,000	\$ 200,000	\$ -
Public Safety Building	\$ 150,000	\$ 150,000	\$ -
Expo Building Improvements	\$ 200,000	\$ 200,000	\$ -
Brewit Branch Library Improvements	\$ 62,000	\$ 62,000	\$ -
Los Altos Branch Library Improvements	\$ 47,000	\$ 47,000	\$ -
Harte Branch Library Improvements	\$ 62,000	\$ 62,000	\$ -
Dana Branch Library Improvements	\$ 103,000	\$ 103,000	\$ -
Burnett Branch Improvements	\$ 172,000	\$ 172,000	\$ -
Animal Care Improvements	\$ 150,000	\$ 150,000	\$ -
Smart Street Light Technology	\$ 150,000	\$ 150,000	\$ -
Parks & Recreation	\$ 6,098,000	\$ 6,098,000	\$ -
Rancho Los Alamitos Ranch House Upgrades	\$ 500,000	\$ 500,000	\$ -
Rancho Los Cerritos Improvements	\$ 500,000	\$ 500,000	\$ -
Bixby Park Community Center	\$ 200,000	\$ 200,000	\$ -
MacArthur Park Roof Repair	\$ 56,000	\$ 56,000	\$ -
MLK Community Center Roof Repair	\$ 42,000	\$ 42,000	\$ -
Jackson Park Improvements	\$ 50,000	\$ 50,000	\$ -
PE Right of Way Park Improvements	\$ 150,000	\$ 150,000	\$ -
Pan American Park Improvements	\$ 100,000	\$ 100,000	\$ -
Silverado Park Improvements	\$ 100,000	\$ 100,000	\$ -
Silverado Field Turf Improvements	\$ 160,000	\$ 160,000	\$ -
Heartwell Field Turf Improvements	\$ 320,000	\$ 320,000	\$ -
Urban Forestry - Tree Trimming Parks	\$ 350,000	\$ 350,000	\$ -
Drake Park Playground	\$ 700,000	\$ 700,000	\$ -
Los Cerritos Park Playground	\$ 700,000	\$ 700,000	\$ -
Veterans Park Playground	\$ 700,000	\$ 700,000	\$ -
Whaley Park Playground	\$ 700,000	\$ 700,000	\$ -
Citywide Park Irrigation Upgrades	\$ 350,000	\$ 350,000	\$ -
Community Center Restroom Upgrades	\$ 170,000	\$ 170,000	\$ -
Senior Center Improvements	\$ 250,000	\$ 250,000	\$ -
Transportation Improvements	\$ 50,000	\$ 50,000	\$ -
Citywide Street Signage Program	\$ 50,000	\$ 50,000	\$ -
Total	\$ 27,239,000	\$ 25,739,000	\$ (1,500,000)