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City of Long Beach
Fiscal Year 2008 Proposed Budget
City Council Budget Hearing

August 21, 2007

Responses to City Council
Budget Workshop Questions

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Budget Workshop Questions



Date: July 24, 2007

To: Anthony W. Batts, City Manager *AWB*

From: Michael A. Killebrew, Director of Financial Management *MAK*

For: Mayor and Members of the City Council

Subject: Responses to Questions from the June 19, 2007 Budget Workshop

1. Looking at the Financial Strategic Plan, what were some of the decreases made in the current budget to remain balanced? Please list some savings.

To remain structurally balanced, the FY 07 General Fund Budget used a combination of: budget savings through optimization; appropriate allocation of General Fund costs to other funds where the services are actually provided; increased cost recovery through new and adjusted fees; and savings generated by improvements in daily business practices. Specifically, the structural balance was achieved through:

- Budget savings through optimization (\$4.9 million)
 - Improvement planned through optimization efforts including reprographics and helicopter maintenance
 - Savings from the Employee Health Benefit optimization, generating savings while maintaining current health insurance benefits
- Appropriately allocated General Fund costs to other funds where the services are actually provided (\$3.7 million)
 - Most Planning and Building functions were transferred to a new self-supporting Development Services Fund, eliminating the traditional General Fund subsidy provided for the department's services
 - Correctly assigned Parks, Recreation and Marine administrative and management costs associated with Tidelands activities to the Tidelands Fund
 - All appropriate Community Development administrative costs were allocated across its operations and funds
 - Full cost allocation to enterprise funds for Police and Fire safety services
- Increased cost recovery through new and adjusted fees (\$1.4 million)
 - \$1.4 million in new and increased General Fund fee revenue

2. What is the funding history of the Social Services Grant Program?

For an explanation of the purpose and eligibility requirements of the Social Services Grant Program, please see **Attachment A-1**.

For a five-year history of the Program's resources and expenditures, please see **Attachment A-2**.

3. What was the process for deciding on the Civic Center retrofit/replacement cost estimates?

The retrofit cost estimates were based on remedial work deficiencies identified by studies conducted in accordance with Federal Emergency Management Agency (FEMA) guidelines. From these deficiencies the structural engineering firm, TMAD, designed the remedial work, and a cost estimating firm along with advice from a curtain wall/cladding subcontractor, and a crane operations firm provided the methodology and pricing for the repairs. The cost was then valued and projected to a future date and submitted as a likely cost. The estimate provided was for a complete retrofit and tenant improvement of the entire building.

The replacement building cost estimates were developed by considering a range of various sized potential buildings and their shell and core costs/tenant improvements costs for a class "A" office building. The square foot rates considered were roughly based (and varied higher and lower) on a similar building concept currently being considered by the Port of Long Beach for their new 250,000+-square-foot administrative headquarters. An independent estimator also reviewed these rates as well as verification from general contractors that the City currently utilizes. From this, a likely range of new building and related site work costs was developed and also valued and projected, assuming construction at a future date.

4. Can we bond against Redevelopment debt repayment to the General Fund to fund our infrastructure needs?

Future available revenue streams from current RDA debt repayment to the City equal approximately \$100.1 million, which will begin to accrue to the City in FY 18-FY 29. From this revenue, approximately \$24.2 million of debt can be secured in the short-term at an 6.8 percent interest rate. It is important to keep in mind that approximately 65 percent of the \$100.1 million Downtown repayment is for a CDBG loan, and any proceeds must be used accordingly. Furthermore, given the delay in this revenue source, the cost of debt will be \$80.1 million, and thus not financially viable.

5. Do the CPI increases in the price of service contracts outpace the cost increases that would have been associated with employee costs? If so, how does that impact the original savings factor in the Prop L's used to justify the contracting?

No, CPI and other cost growth has been slower than growth in retirement (PERS) and healthcare costs associated with employees. Nonetheless, all contracts seeking renewal are subject to the Prop L process, so an updated analysis will be conducted at that time.

6. Provide status updates on the Operating Reserve, Infrastructure Reserve and General Fund Reserve.

While both the Infrastructure and Operating Reserves were funded with new \$200,000 allocations in FY 07, both reserves were needed to cover

General Fund departments' unforeseen operating overages. The following are the current balances of the requested reserves:

- Operating Reserve - \$0
- Infrastructure Reserve - \$0
- General Fund Reserve - \$36.1 million

7. Where do most service backlogs created by ongoing budget constraints exist?

Over the past four years, almost \$80 million in expenditure and service reductions have been incurred by the City's General Fund operations, in addition to, in many cases, already being under-funded to start. This has left the organization with inadequate staffing, pared down programs and services and a gross underinvestment in our infrastructure and facilities. Magnifying this situation is the lack of a comprehensive strategy to attract and retain the necessary skilled workforce to deliver the services that the community demands and deserves. As a result, several key areas where service backlogs have grown include, but aren't limited to, the following areas:

- Deferred facility maintenance and repairs
- Deferred maintenance of park grounds and tree management
- Deferred residential street maintenance and repairs
- Deferred traffic control and street sign maintenance or replacement
- Reduced custodial services
- Reduced discretionary funding to afford match requirements for grant opportunities
- Deferred storm drain maintenance

8. What is the cost to re-budget the current level of service provided by the Police Department in support of DARE? What would be the cost to restore the program completely?

The Assistant City Manager was asked by Councilwoman Schipske to provide an independent analysis of the costs associated to restore the DARE program and the Police Department's response. The cost to rebudget the current level of service provided by the Police Department would be \$136,000. The costs to restore the program completely would be \$431,000. Please see **Attachment B** for the complete analysis by Financial Management.

Attachments

CC: CHRISTINE F. SHIPPEY, ASSISTANT CITY MANAGER
REGINALD I. HARRISON, DEPUTY CITY MANAGER
CURTIS TANI, ACTING DEPUTY CITY MANAGER
ROBERT SHANNON, CITY ATTORNEY
THOMAS REEVES, CITY PROSECUTOR
LAURA DOUD, CITY AUDITOR
DEPARTMENT HEADS

**CITY OF LONG BEACH**

BOARD OF HEALTH AND HUMAN SERVICES

2525 Grand Avenue

Long Beach, CA 90815

(562) 570-4000

FAX (562) 570-4049

August 23, 2005

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

1. Authorize the City Manager to approve and adopt the recommendations of the Board of Health and Human Services for allocation of the Social Services Grant and Emergency Shelter Grant Programs, as outlined in Attachments A and B.
2. Execute all necessary documents with community agencies for provision of social services and emergency shelter and services for the period from October 1, 2005 to August 31, 2006 for the Social Services Grant Program and October 1, 2005 to August 1, 2007 for the Emergency Shelter Grant Program with an option to renew the Social Services Grant Program from October 1, 2006 to August 31, 2007 and the Emergency Shelter Grant Program from October 1, 2006 to August 31, 2008. (Citywide)

DISCUSSION

The Social Service Grant Program (SSG) was established in 1986 by the Long Beach City Council to encourage the development of innovative programs to address unmet and emerging social service needs of low-income Long Beach residents. The purpose of the Emergency Shelter Grant Program (ESGP) is to improve the quality and number of emergency homeless shelters by funding emergency shelter and homeless prevention projects.

On February 16, 2005 and June 15, 2005 the Board of Health and Human Services (BOH), in conjunction with the Homeless Services Advisory Committee, Community Development Advisory Commission and the Housing Development Corporation, held a public hearing to determine the social service needs within the City of Long Beach. Additionally, the Multi-Service Center for the Homeless issued a client survey to 1,200 clients to determine the needs of homeless individuals and families in Long Beach. Through this process, priority-funding categories for the SSGP and the ESGP were established and announced in a Request for Proposals (RFP) process seeking service providers.

The RFP was released on March 29, 2005 at a workshop for all interested applicants. Thirty-eight applications were received by the April 22, 2005 deadline announced in the RFP (32 SSGP and 6 ESGP). Total funds requested were \$771,981 for SSGP and \$594,832 for ESGP.

Thirteen BOH members and two Homeless Services Advisory Committee members participated in the review process. On June 20, 2005, this Ad Hoc SSGP Committee met

HONORABLE MAYOR AND CITY COUNCIL
August 23, 2005
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for the purpose of reviewing applications received in response to the RFP for the SSGP and ESGP. On August 12, 2005, the BOH held a special meeting and approved the recommendations.

There were no Appeals received for either the SSGP or ESGP.

Attached is a listing of 29 agencies recommended for SSGP funding in the total amount of \$450,000 (Attachment A). Also attached is a listing of four agencies recommended for ESGP for a total of \$384,839 (Attachment B). The funding is allocated for two years, with the second year of funding pending approval by the BOH and City Council based on the agency performance and availability of funds.

This matter was reviewed by Senior Deputy City Attorney Donna F. Gwin on August 15, 2005 and Budget Management Officer David Wodynski on August 12, 2005

TIMING CONSIDERATIONS

City Council action is requested on August 23, 2005, to enable the Department of Health and Human Services to begin contract negotiations and processing for the fiscal year beginning October 1, 2005.

FISCAL IMPACT

Funds totaling \$834,839 are budgeted in the Future Capital Projects Subfund (CP 201.003) in the Department of Health and Human Services (HE), and are supported by the General Fund (\$200,000), the Community Development Block Grant (\$250,000), and Emergency Shelter Grant (\$384,839) monies.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

Annette Kashiwabara
Chair
Board of Health and Human Services

By:



RONALD R. ARIAS
DIRECTOR
HEALTH AND HUMAN SERVICES

Attachments

ATTACHMENT A**City of Long Beach
Social Services Grant Program
October 1, 2005 to August 31, 2006
(With an option to renew for October 1, 2006 to August 31, 2007)**

<u>Name of Agency</u>	<u>Funding Recommendation</u>
1. 1736 Family Crisis Center (Domestic Violence)	\$20,000
2. Christian Outreach Appeal	\$20,000
3. National Mental Health Association of Greater Los Angeles	\$20,000
4. Boys and Girls Club of Long Beach	\$18,000
5. Disabled Resources Center	\$18,000
6. Food Finders	\$18,000
7. Goodwill Industries of Long Beach and South Bay	\$18,000
8. Helpline Youth Counseling	\$18,000
9. Interval House	\$18,000
10. Operation Jump Start	\$18,000
11. Sexual Assault Crisis Agency	\$18,000
12. St. Mary Medical Center Foundation/Families in Good Health	\$18,000
13. Willmore Urban Agency	\$18,000
14. WomenShelter of Long Beach	\$18,000
15. Alpert Jewish Community Center – RSVP	\$15,000
16. South Bay Alcoholism Services	\$15,000
17. Children's Clinic	\$14,000
18. Children's Dental Health Clinic	\$14,000
19. Los Angeles Community and Design Center	\$14,000
20. Atlantic Recovery Services	\$12,000
21. Broad Spectrum Community Development Corporation	\$12,000
22. Centro Cha, Inc.	\$12,000
23. Friends Outside in Los Angeles County	\$12,000
24. Harbor Area Halfway Houses	\$12,000
25. Lutheran Social Services	\$12,000
26. National Conference for Community and Justice	\$12,000
27. Office of Samoan Affairs	\$12,000
28. Pathways Volunteer Hospice	\$12,000
29. Stand Up for Kids	\$12,000
Total Future Capital Projects Sub-Fund (CP 201.003 funding)	\$450,000

ATTACHMENT B**City of Long Beach
Social Services Grant Program****Emergency Shelter Grant Funds
October 1, 2005 to August 31, 2007
(With an option to renew for October 1, 2006 to August 31, 2008)****Emergency Shelter Grants Program (SR 150-003 funding)**

<u>Name of Agency</u>	<u>Funding Recommendation</u>
1. Institute for Urban Research and Development	\$119,821
2. Catholic Charities	\$120,000
3. Legal Aid Foundation of Los Angeles	\$ 78,028
4. <u>Southern California Alcohol and Drug Program</u>	<u>\$ 50,490</u>
Total ESG Allocation FY 2005-06	\$368,339
Administrative 5%	<u>16,500</u>
TOTAL ALL FY 2005-06	\$384,839

City of Long Beach
Social Services Support Program
Historical Analysis and Current Funding Levels
FY 03 - FY 07

Funding	Index Code	FY 03	FY 04	FY 05	FY 06	FY 07
Budget						
GP	XCOTFRSE	\$ 450,000	\$ 450,000	\$ 450,000	\$ 200,000	\$ -
CDBG	CDNSPRO	\$ -	\$ 300,000	\$ 250,000	\$ 250,000	\$ 200,000
Total		\$ 450,000	\$ 750,000	\$ 700,000	\$ 450,000	\$ 200,000
Actuals						
GP	XCOTFRSE	\$ 449,500	\$ 184,113	\$ 200,651	\$ 131,651	\$ -
CDBG	CDNSPRO	\$ -	\$ 249,790	\$ 250,000	\$ 299,930	\$ -
Total		\$ 449,500	\$ 433,903	\$ 450,651	\$ 431,581	\$ -

General Note: HE incurs costs directly in HE1127B then expenditure transfers actuals to CDNSPRO.

FY 03 Note: FY 03 reflects the traditional budget and expenses for the SSGP, historically funded using the hospital land sales proceeds.

FY 04 Note: When the hospital land sales proceeds were exhausted, a direct General Fund commitment was made for only \$200,000 per year. To offset this loss, in FY 04 CD pledged \$300,000 CDBG funding for the SSGP (\$250,000 for grants and a one-time startup of \$50,000 for admin.) While the GP budget was not reduced due to an oversight, FY 04 actuals were only \$433,903, in line with historic budgeted levels of \$450,000.

FY 05 Note: The GP budget for SSGP was again not lowered to match the pledge (the oversight continued), however the CDBG budget was lowered by \$50,000, to \$250,000 total, per prior agreement. Again, HE expenses for the SSGP remained \$450,561 total.

FY 06 Note: The budget was finally aligned with the correct level of commitment and traditional expenditure level, \$450,000 total. SSGP actuals for the year totaled \$431,000. CDBG actuals came in approximately \$50,000 over budget, which was allowed on a case-by-case basis by Community Development due to available funding.

FY 07 Note: Per briefings held by CD with all CDBG-supported departments, the CDBG commitment to SSGP was reduced from \$250,000 to \$200,000 due to overall CDBG funding reductions. Also, the Budget Office cut the GP commitment to the SSGP to \$0 as part of a Financial Strategic Plan clean-up action. This was done in error, therefore HE will continue to transfer its SSGP expenses for FY 07 in GP/XC, which will absorb the expense. The \$200,000 GP budget will be restored in the FY 08 base budget, as reflected in BERP.



Date: June 5, 2007
To: Councilwoman Gerrie Schipske, 5th District
From: Christine F. Shippey, Assistant City Manager \s\
Subject: DARE PROGRAM FUNDING

At the November 14, 2006 Council meeting you requested that we report back to the City Council regarding the potential and feasibility of increasing police department resources for the D.A.R.E. program. The following provides a summary of the current program and a review of the current General Fund budget status, as well as an overview of two possible enhancement options for consideration as part of the FY 08 budget process.

CURRENT PROGRAM

Currently, the Long Beach D.A.R.E. Program is staffed by two retired, non-career police officers, who are responsible for instructing over 1,800 5th grade students at more than 12 elementary schools. The officers commit a combined total of approximately 50 hours weekly (for 30 weeks of the year) to the program. Although the D.A.R.E. program was eliminated in the FY06 Adopted Budget, the Police Department continued funding the program out of existing resources, which is estimated to cost approximately \$78,000 by the end of FY 07.

GENERAL FUND BUDGET STATUS

The Police Department is anticipated to end FY 07 at \$7 million over budget in the General Fund; in view of this significant overrun, midyear enhancements are not recommended.

ENHANCEMENT OPTIONS

The following are two enhancement proposals suggested by the Police Department:

OPTION 1

Option 1 would add to the current program approximately 36 hours of weekly instruction by five to six police officers working on an overtime basis. These officers, who have already been trained in the D.A.R.E. program, would be in addition to the current two retired, non-career police officers, and combined, would instruct approximately 4,000 5th grade students at 26 elementary schools. Including fleet costs, this option is calculated to cost \$136,000. The D.A.R.E. Board of Directors has apparently committed to pay \$35,000 for staffing related charges for the first year only, and therefore the cost for Option 1 in FY (08) would be \$101,000.

Councilmember Gerrie Schipske, 5th District
June 5, 2007
Page 2

OPTION 2

Option 2 would reinstate the D.A.R.E. Program to the Fiscal Year 2004-06 levels of service, utilizing three full-time officers and the two retired, non-career police officers. This staffing level would enable instruction of approximately 7,650 5th grade students at 51 elementary schools. The staffing costs for this enhancement are estimated at approximately \$412,000 and fleet costs at \$19,000 for a total program cost of \$431,000. According to the Police Department, to fund this proposed option, the positions would be reallocated from within the Department without any current service impact. If the D.A.R.E. Board of Directors would pay the \$35,000 for staffing related charges for the first year of the program, the cost for Option 2 in FY (08) would be \$396,000.

Based on the current General Fund status, as well as anticipated increased public safety demands for FY (08), we recommend that any continuation and/or enhancement of the D.A.R.E. Program be considered as a Mayor and City Council budget decision during the FY (08) budget deliberations.

CFS:CFW

M:\Home\cawiede\060407 DARE Program Funding_Schipske.mem



City of Long Beach

Working Together to Serve

Memorandum

Date: August 14, 2007

To: Anthony W. Batts, City Manager *by cfs*

From: Michael A. Killebrew, Director of Financial Management *mk*

For: Mayor and Members of the City Council

Subject: Responses to Questions from the August 7, 2007 Budget Workshop

The following inquiries were made of staff by the City Council during the August 7, 2007 Budget Workshop:

1. How will current clients of the Extended Day Program be referred for services to other providers? (Slide 21)

The Extended Day Program provides morning and afternoon licensed childcare at Houghton, Silverado and Veterans Parks. The combined average daily enrollment is 65 participants. The General Fund is subsidizing this program by \$130,000 per year, or \$2,000 per participant. The program has experienced decreased enrollment due in part to the successful implementation of the grant-funded 21st Century after school programs at LBUSD school campuses operated by the Parks, Recreation and Marine Department. Participants will be able to receive similar services provided by other community organizations or the programs offered at school sites. Refer to **Attachment A** for additional information about Extended Day Program services and alternate resources for clients.

2. What is included in the \$585 million estimated future liability for City Facilities Rehab/Rebuild? (Slide 27)

The \$585 million estimate includes the following priority projects:

- Public safety facilities - \$225 million
 - City Hall seismic retrofit - \$170 million
 - Other City facilities (parks, libraries, health facilities) - \$190 million
3. What is the breakdown of the proposed FY 08 investment in Infrastructure and Transportation Focus Area? (Slide 22)

The following departmental Programs and activities are supported with this funding:

- Harbor Department* - \$416.3 million
- Airfield and Facilities Maintenance (PW) - \$7.4 million
- Airport Security and Safety (PW) - \$10.2 million
- City Facilities Capital Project Management (PW) - \$11.8 million
- City Facilities Maintenance (PW) - \$13.8 million
- Construction (PW) - \$1.8 million
- Drainage (PW) - \$2.1 million
- Street and Drainage Engineering (PW) - \$5.0 million

- Traffic Engineering (PW) - \$1.1 million
- Street Maintenance (PW) - \$12.1 million
- Planning and Programming (PW) - \$9.9 million
- Property and Business Support (PW) - \$8.2 million
- Street Median Landscaping (PR) - \$1.9 million
- Traffic Operations (PW) - \$3.5 million
- Infrastructure & Transportation Department Administration (PR; PW) - \$1.83 million

* Harbor Department expenditures are estimates only, as the Department does not currently participate in the City's performance management reporting structure.

4. How was the cost-sharing arrangement for the CSULB street lights project agreed upon? (Slide 33)

Following a number of sexual assaults on the CSULB campus, the City Manager's Office received a request from the University to consider improving street lighting on City streets around the periphery of the campus (i.e., east side of Bellflower Boulevard from 7th Street to Atherton, the south side of Atherton from San Anselene to Palo Verde and the west side of Palo Verde from Atherton to Anaheim). In response to the City's request, City Light & Power provided a cost estimate of \$400,000 for the project.

Given capital budget constraints, the City Manager's Office approached the University and County of Los Angeles with a proposal for a three-way sharing of the costs. The University, through President Alexander, and the County, through Supervisor Knabe's Office, agreed to the cost-sharing proposal.

5. In the Community Development Youth Development Program, what does the 90 percent of youth who are returned to school or placed in internships or employment refer to? (Slide 16)

The Youth Development Program provides education and training through the numerous programs offered via the Youth Opportunity Center, and by connecting career path opportunities at the Career Transition Center and Center for Working Families. Of the 6,500 youth expected to be served through these programs with the resources proposed for FY 08, 90 percent, or 5,850 youth, are expected to return to school or be placed in internships or employment.

6. Can the City impose a fee for Certificate of Appropriateness (COA) non-compliance?

Based on previous direction from the City Council, the ordinance implementing COA procedures and process is being revised by the Planning & Building Department. As part of the revisions, staff will propose new fines for projects occurring without approvals. These fines will go into effect with the FY 08 fee resolution.

7. What would it cost to fund special community events such as Snow Days and Easter Egg Hunts? (Slide 20)

While these events were provided in the past, there has never been budget allocated to support them. The General Fund provided approximately \$109,000 to support these services in FY 07 (6 Snow Days, 14 Halloween Carnivals and 14 Spring Egg Hunts). Should the City Council decide to shift funding from current services to support these activities, the following are the estimated costs for each service:

- Halloween Carnivals - \$2,000 per park site per event
- Spring Egg Hunts - \$1,500 per park site per event
- Snow Days - \$10,000 per park site per event

8. Provide information on the percentage increase over base budget of the unbudgeted enhancement requests for FY 08. (Slide 34)

Please refer to **Attachment B** for a breakdown of the growth rates, as originally submitted by departments. Subsequent to the printing of the FY 08 Proposed Budget, the Budget Office has met with departments to discuss their prior requests. Therefore, the total requests and impacts to the General Fund may have changed.

9. What does the statement "improve the quality of life for all Long Beach residents, particularly those with special needs" found in the description of the Neighborhoods and Housing Focus Area refer to? (Slide 11)

The Community Development Department's Housing Development Program provides special needs housing services. Special needs housing is affordable housing for people whose needs are more than just shelter. Currently, the following special needs housing projects are being provided or under development:

- Villages at Cabrillo: Transitional housing for previously homeless people, providing temporary housing to previously homeless before they transition into permanent housing.
- 530 Elm: Affordable rental units for those with mental disabilities.
- Palace Hotel: Proposed housing for young people who, at the age of 18, "age out" of the foster care system. At 18 years old, when they are no longer under the "guardianship" of foster care homes, these young people (mostly low-income) usually find themselves homeless and without resources.

Please do not hesitate to contact me should you have further questions or require additional information.

Attachments

CC: CHRISTINE F. SHIPPEY, ASSISTANT CITY MANAGER
REGINALD I. HARRISON, DEPUTY CITY MANAGER
CURTIS TANI, ACTING DEPUTY CITY MANAGER
ROBERT SHANNON, CITY ATTORNEY
THOMAS REEVES, CITY PROSECUTOR
LAURA DOUD, CITY AUDITOR
DEPARTMENT HEADS

EXTENDED DAY

The Extended Day Program is a licensed childcare program for youth, elementary school age, operating 7:00am to 9:00am, and 12:00noon to 6:00pm, at three parks, Houghton, Silverado, and Veterans.

HOUGHTON PARK:

1. Provides morning and afternoon care year-round (50 weeks per year)
2. Average attendance has dropped from 45 to 25 participants per week.
3. Childcare Alternatives:
 - a. Childhood Development Centers are available at the local elementary schools, Starr King and Grant. Space is limited.
 - b. WRAP after school programs are also available at Grant and Starr King.
 - c. The Fairfield YMCA also provides custodial childcare.
 - d. The After School Program will still be available at the park. This program is for youth, ages 5-12 years and focuses on providing a safe environment for kids to participate in arts and crafts, homework help, indoor and outdoor games, cooking classes, fitness activities, and various tournaments. This non-custodial, drop-in program is free.

SILVERADO PARK:

1. Provides morning and afternoon care during the school year (38 weeks per year)
2. Average attendance has dropped from 40 to 22 participants per week.
3. Childcare Alternatives:
 - a. Childhood Development Centers are available at the local elementary schools, Webster and John Muir. Space is limited.
 - b. WRAP after school programs are also available at these sites.
 - c. The After School Program will still be available at the park. This program is for youth, ages 5-12 years and focuses on providing a safe environment for kids to participate in arts and crafts, homework help, indoor and outdoor games, cooking classes, fitness activities, and various tournaments. This non-custodial, drop-in program is free.

VETERANS PARK:


1. Provides morning and afternoon care during the school year (38 weeks per year)
2. Average attendance has dropped from 40 to 21 participants.
3. Childcare Alternatives:
 - a. WRAP after school programs are provided at the local elementary schools, Jackie Robinson and Birney.
 - b. The After School Program will still be available at the park. This program is for youth, ages 5-12 years, and focuses on providing a safe environment for kids to participate in arts and crafts, homework help, indoor and outdoor games, cooking classes, fitness activities, and various tournaments. This non-custodial, drop-in program is free.


FY 08 Unbudgeted Department Enhancement Requests

Description	Fund	FTE Change	Enhancement Amount
City Auditor			
Net GP Impact:		3.4	342,092
• Add 2 Staff Auditors	General	2.0	134,822
• Add 1 Senior Auditor	General	1.0	106,264
• Add part-time Audit Analyst	General	0.4	23,701
• Salary Increases for Assistant City Auditor and Deputy City Auditors	General	-	42,405
• Auto Allowance	General	-	34,900
Percent Increase Over Base Budget: 12.2%			
City Attorney			
Net GP Impact:		1.0	130,414
• Add Deputy City Attorney	General	1.0	108,414
• Add Workers' Comp Claims Examiner	Insurance	1.0	70,695
• Proposition F budget changes	General	-	100,000
• Increased expenditure transfer/personal	General	-	(78,000)
Percent Increase Over Base Budget: 2.0%			
Civil Service			
Net GP Impact:		2.0	270,281
• Add Administrative Aide I	General	1.0	43,079
• Add Personnel Analyst I - Confidential	General	1.0	69,902
• Additional Fire Recruitment costs	General	-	157,300
Percent Increase Over Base Budget: 9.4%			
City Prosecutor			
Net GP Impact:		-	10,803
• Salary increases	General	-	10,803
Percent Increase Over Base Budget: 0.2%			
City Clerk			
Net GP Impact:		-	142,500
• Increase programming hours from Technology Services	General	-	142,500
Percent Increase Over Base Budget: 3.1%			
Mayor and City Council			
Net GP Impact:		1.0	80,876
• Salary increases and other personal changes	General	1.0	80,876
• Other changes	General	TBD	TBD
Percent Increase Over Base Budget: 1.6%			
Enhancement Total - All Funds:		8.4	1,047,661
Enhancement Total - General Fund:		7.4	976,966



Date: August 20, 2007

To: Anthony W. Batts, City Manager 

From: Michael A. Killebrew, Director of Financial Management 

For: Mayor and Members of the City Council

Subject: **Responses to Questions from the August 14, 2007 Budget Workshop**

The following inquiries were made of staff by the City Council during the August 14, 2007 Budget Workshop:

1. Are there plans to integrate benchmarking data as part of the performance management effort?

Benchmarking data is currently being collected as part of the City's Performance Management effort. As this effort continues to evolve from identifying measures to collecting and reporting performance, benchmarking will be more consistently used to aid in the evaluation of the City's programs and services. We expect this information to be included in the FY 09 budget process.

2. Regarding the street sweeping customer satisfaction rate, what is the baseline percentage? (Slide 6)

The Program pages in the Budget Book provide performance information for a three-year period: FY 06, FY 07 and FY 08. This multi-year approach identifies a progression and/or trends in performance, and provides a baseline from which to measure year-to-year changes in performance.

The baseline for satisfaction with refuse and street sweeping services is provided by a customer service survey conducted annually. In the FY 06 survey, 83 percent of respondents rated solid waste services as high quality and 77 percent indicated satisfaction with street sweeping services (Budget Book, page 477).

3. What is the status of the City's Sustainability Commission? How will Planning & Building staff support it? (Slide 9)

As indicated at the Budget Workshop by Suzanne Frick, Director of Planning & Building, the Mayor has asked for the nomination of individuals to sit on the Commission. Planning & Building staff will be able to support the initial phases of the Commission; however, it is anticipated that additional staff will be required for full support in the long-term. The Department anticipates utilizing the fees generated from the adoption of the Construction and Demolition (C&D) ordinance.

4. Please provide more information about our status as the top-ranked large city in solid waste diversion. (Slide 15)

According to rankings prepared by SustainLane Government, in 2006, Long Beach tied for number one in Solid Waste Diversion among the 50 largest cities across the United States. SustainLane is an on-line media company that prepares a nationwide annual benchmark study on urban sustainability. Long Beach is tied for number one with Los Angeles, San Francisco and San Jose. Long Beach has been ranked number one for the last three years, having exceeded the State-mandated diversion level of 50 percent and reaching 66 percent in 2005.

5. Do we have plans to look into a green waste program in the future? (Slide 15)

Staff is reviewing issues associated with implementing a green waste collection program.

Although the City of Long Beach does not currently have a separate green waste collection program, yard debris (along with the residential trash collected by the City), is put to beneficial use at the Southeast Resource Recovery Facility (SERRF). By burning trash, including yard debris, the SERRF facility generates enough electricity to power approximately 40,000 homes. It is estimated that a green waste collection program would cost \$75 to \$90 per ton to operate.

6. How does the City plan to handle complaints of water bugs and roaches? (Slide 22)

This question will be responded to shortly in a separate memo.

7. Is swimming pool monitoring done on public swimming pools only or does it apply also to private pools? (Slide 23)

The Health & Human Services Recreational Water Program licenses and inspects 349 public swimming pools and 165 public spas for compliance with health and safety regulations. A recent records review and survey resulted in approximately 50 swimming pool/spas being added to the Program. The Recreational Water Program only licenses and inspects public pools and spas; private pools/spas are neither licensed nor inspected by this Program.

8. Are there benchmarks for the 30 minutes or less objective for Development Services Center wait time? (Slide 26)

Yes, multiple jurisdictions, including LA City and Irvine, track waiting times for their customers. The 30-minute timeframe is within the standard parameters for various jurisdictions.

9. What does the statement "Includes services provided by enterprise funds (e.g., Airport)" mean? (Slide 27)

The presentation contained a standard footnote when denoting the total funding allocated to a Focus Area. The purpose is to communicate that not only the General Fund supports the Focus Area, but Enterprise Fund investments are included as well. Enterprise Funds are funds structured to be self-supporting (e.g., gas, airport, towing, etc.). The Airport was mentioned merely as an example of an Enterprise Fund.

10. What are the budget changes to the Historic Preservation Program for FY 08? (Slide 33)

There was a funding shift for .5 FTE in the Historic Preservation Program to reflect the shared use of clerical support between the Historic Preservation Office and the Urban Design Office. The shift was made to relieve the impact on the General Fund. No reduction in capacity is expected to occur.

11. Why is the number of Certificates of Appropriateness expected to decline? (Slide 33)

During FY 07, Planning & Building experienced a significant reduction in overall permit activity due to the decline in the housing market. This decrease was also reflected in the number of COAs issued.

12. The number of Certificates of Appropriateness likely won't decrease in FY 08. What can we do to maintain services levels (COA turnaround times) in FY 08? (Slide 33)

Planning & Building is proposing an amendment to the Cultural Heritage Commission ordinance that will provide staff with greater approval authority in reviewing applications for compliance, with the intent of making the process more efficient.

13. Regarding SEADIP and other unfunded City Council mandates, how are efforts currently staffed (using existing staff or dedicated staff)? What additional resources are required to properly implement the requested activities? (Slide 35)

The City Council will consider the funding and staffing requirements for SEADIP and Downtown Visioning during its August 21 meeting. Planning & Building is currently able to use existing staff for any minor unanticipated/planning studies.

14. There has been no reduction in the number of late night flights. We need to do more outreach to violators, not the community. Over a year ago we discussed revising the fine structure and increasing fines. What is the status of both the outreach approach and the fine structure? (Slide 39)

Outreach Program

The Airport sends representatives every year to the National Business Aviation Association (NBAA) and Aircraft Owners' and Pilots' Association (AOPA), the two largest pilot organizations in the country as part of our outreach efforts. The NBAA and AOPA conventions are vital outreach events because of the vast number of pilots who attend both conventions, and these two organizations represent the largest memberships of pilots and general aviation (GA) industry agencies and companies. The NBAA convention is geared more towards the larger aircraft GA owners/users (individuals and companies) and AOPA is geared toward the smaller aircraft owners/users. Both are ideal forums for reaching a significant number of pilots who may fly into Long Beach, since the Airport is one of the country's busiest GA airports. NBAA hosts over 30,000 attendees yearly, and AOPA hosts about 13,000 attendees. Long Beach Airport hosts a booth at both conferences, and has done so for many years.

Additionally, the Airport's noise rules are posted on our website; broadcast on the Tower recording that provides current weather and runway information to pilots; and published in the Jeppesen Guide, AirNav's website, Boeing's website, FAA Airport/Facility Directory and many other pilot information publications. Locally we produce pilot guides and noise abatement posters that are distributed to every flight school and aviation business around the Airport. Pilot guides and our Noise Compatibility Ordinance are distributed to all violators. About 50 percent of the late night (10 PM - 7 AM) violations every year are for first and second violations (warning and compliance stage); about 25 percent are JetBlue violations; and about 25 percent are repeat offenders (more than two violations).

The Airport also supports the Aviation Noise Abatement Committee (ANAC), a committee made up of Airport-based users who volunteer their time to educate violators and other aircraft operators about our Noise Compatibility Ordinance, and recommend aircraft-specific flight procedures to reduce noise.

Proposed Revisions to Airport Noise Compatibility Ordinance to Increase Administrative Surcharges (Fines)

The City Attorney's Office has prepared a proposed amendment to Chapter 16.43 of the Municipal Code, which, if adopted by the City Council, would significantly increase the administrative "surcharges" (penalties) that are assessed against aircraft operators who violate the provisions of the Airport Noise Compatibility Ordinance. The current Ordinance provisions provide for a maximum surcharge of \$300 to be assessed against operators who violate the Ordinance at least four times within a twenty-four month time period.

The proposed amendment to the current Ordinance would increase the administrative surcharge to \$1,000 for a fourth violation, \$2,500 for a fifth violation and \$10,000 per violation for the sixth and subsequent violations. An operator having six or more violations would continue to pay a \$10,000 surcharge per violation, until such time as the operator did not violate the Ordinance for a period of twenty-four months.

In 2000, the FAA's Office of Chief Counsel allowed a similar restructure of San Diego's Airport noise penalties. The FAA permitted San Diego to significantly increase its penalty structure, provided that the increase did not serve to limit existing flight operations and that it be adopted only for the purpose of deterring and penalizing willful violations of San Diego's aircraft noise ordinance.

Outreach will be conducted to airlines, airport users and the pilot community prior to implementing any changes in the fine structure for noise violations. Pending internal review and FAA concurrence, we hope to bring the proposed Airport Noise Ordinance changes to Council before the end of the calendar year. Given the complex and sensitive nature of the issues involved, however, it could be later.

15. How are priorities for library remodels/renovations set? How was a decision determined about the North Neighborhood Library replacement? (Slide 43)

The priorities for library remodels/renovations are set based on need (via analytic facility assessments) and available funding opportunities. In the Department of Library Services Strategic Plan (2001-2005), the Anaheim Corridor and North Long Beach were identified as the most underserved areas in the city. In the case of the Anaheim Corridor, service to a population of over 60,000 residents was being provided out of a 2,100 square foot facility (the old Mark Twain Library). The other 10 neighborhood libraries are about 7,000 square feet in size and serve a population of 20,000-53,000. While the North Library is also 7,000 square feet, it serves a population of nearly 100,000, or more than double that of the average neighborhood library.

The California Public Library Construction Bond Act of 2000 provided a one-time opportunity to apply for State funding, which resulted in funding for the new Mark Twain Library. The North Long Beach Strategic Guide for Redevelopment published in 2002 identified not only the need but also a location for the new library as part of the vision for a new Village Center. This was the result of community input and planning over a period of several years. The RDA Board has continued to reaffirm its support for a new library in the most recently adopted plan for the revitalization of North Long Beach.

16. What is the status of the loan recently made to Johnny Rebs? (Slide 48)

The Johnny Rebs' loan #J3D067002, in the amount of \$200,000, was approved by City Council on June 5, 2007 and funded August 1, 2007. First payment on the loan, in the amount of \$1,320.38, is due September 1, 2007. The loan is for 5 percent, amortized over 20 years.

Due to the recent fire at their Long Beach restaurant, the borrower has asked for a waiver of payments and interest for a period of six months. After consulting with the City Attorney's Office and the Economic Development Commission Loan Board, it was determined the City should waive the payments as requested by the borrower, but that the interest accrued during this period of abeyance be capitalized to the loan, the term of the loan extended by six months to February 1, 2028 (as opposed to August 1, 2027), and that the new payment of \$1,352.68 commence March 1, 2008. This proposal has been extended to the borrower.

17. Are there plans to incorporate the Harbor Center into our Workforce Development service area? If yes, what can the City Council do to assist in getting the Harbor Center and creating a more cohesive regional workforce model? (Slide 50)

The City is working to "contract-in" with the City of Los Angeles to operate the Harbor WorkSource Center, and responded in June to a City of Los Angeles RFP to assume operations. We are currently the interim operator (7/1/07-9/30/07) until a final contract decision is made. The Workforce Investment Board staff was invited this week to participate in a follow-up oral interview panel with the City of Los Angeles, as the final part of the contractor selection process. The WorkSource Center is the comprehensive career center for the San Pedro/Harbor City area, serving as a complement to Long Beach's Career Transition Center. The Harbor Center will focus largely on an industry sector strategy around Goods Movement/Logistics - thus requiring strong strategies and relationships with Port of Los Angeles/Long Beach officials, employers and labor organizations. Securing the Harbor Center contract will create a strong leverage for both Long Beach and Los Angeles, and will build a regional alignment of industry-based initiatives for our common geography and businesses.

18. Why is Parks, Recreation & Marine responsible for Filming and Special Events Coordination? (Slides 53-56)

For many years, Filming and Special Events Coordination was in the City Manager's Office. Four to five years ago it was moved to Parks, Recreation & Marine mainly because most of the activities and events that are used for special events are under the jurisdiction of the Department. It was felt that since most of the Parks, Recreation & Marine facilities used by the Special Events Coordination Program require a permit, it would make for better coordination of resources, facilities, staffing, etc., which has indeed proven to be the case. The Department has been able to provide support, as needed, for special events and filming in a timely and efficient manner.

Please do not hesitate to contact me should you have further questions or require additional information.

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