



The Oakland Observer [@Oak_Observer](#)

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In the budget presentation, Chief Mitchell is presenting OPD budget, it's a pretty quick overview...not sure why they actually did it this way.

Service Impacts (continued)



- **Overtime Reductions:** A 25% reduction from the FY 2024-25 allocation of \$44,638,900 would yield savings of \$11,071,614, bringing the FY 2025-26 total allocation to \$33,567,286. However, this reduction would limit funding to only support backfill, extension of shift, and reimbursable overtime for third-party special events, which would be directed back into the General Purpose Fund (GPF). This would directly impact officers' ability to respond to calls for service, increasing risks to public safety. Additionally, citywide special operations, including burglary, robbery, and vice suppression details, would be significantly curtailed or eliminated, further compromising community safety. Thirty-day crime plans, sideshow enforcement, and encampment responses would also be adversely impacted. In FY 2026-27, an increase of \$4,639,386 is anticipated to accommodate sworn personnel raises, resulting in a total allocation of \$38,206,672.
- **Operations and Maintenance (O&M):** A 57% increase from the FY 2024-25 allocation, totaling \$33,685,543, is necessary to address ongoing inflationary costs to ensure the Department can continue to provide critical operational supplies, personnel training, and fulfill contractual obligations with external vendors. Additionally, the proposed funding includes an allocation for three police academies. The total proposed increase across all funds amounts to \$12,291,769.
- **Police Academies (Restored):** The proposed budget funds three Police Academies in FY 2025-26, with the first academy funded for 20 Police Officer Trainees (POTs) and the remaining academies funded for 35 POTs. Three police academies are planned for FY 2026-27.

There's a 12 MM addition to overhead costs. Mitchell says that each academy costs about \$7.5 MM

Ramachandran asking about the OPD vehicle rental costs. Mitchell says that the costs are for undercover operations in Ceasefire, surveillance vehicles.

Not surprising at all to see the CMs who have built their public profile around police staffing not ask a single question about the OPD's staffing projections, which projects two years and possibly longer at significant sub-700 staffing

Mitchell's comments are bit contradictory to what he told Council at previous meeting, he's now saying officers can't self-initiate overtime, but he seemed to say the opposite earlier. "greatest reduction has been in reduction of special enforcement" sideshows, human trafficking

Unger is back on shift extension..."even with new approvals [by supervisor] numbers continue to grow". Mitchell is confusing the issue here, a bit. I do believe officers can self-extend on patrol if on a call for service.

Ironically, Gallo is the first to comment on police staffing, albeit not in a substantiated way that engages figures and projections.

Gallo doesn't understand the projections, or perhaps haven't seen them. Mitchell, "I'm not recommending this number of officers, this is what's being budgeted...there's no need to budget for 877 when we can't hire that many that fast...it's going to take several years"

Mitchell: "it's going to take years [to hire police], and it's going to take lots of money...if you put a billion dollars on the table right now, it's still going to take time to hire that many...you can't hire that many over night"

Gallo doesn't engage with the comment and continues

Of all the CMs to engage with the OPD staffing projections, the one who can not reveal any nuance or info to the public has engaged with it. The rest are very obviously wary of talking about the reality of police staffing.

Brown asks about 4 academies per year. Mitchell says the last time there were that many in a year was 8 years ago, and one of the academies was subbed to SF "we are going to have to budget for that, identify applicants, and it will take overtime to do all the backgrounds..."

Mitchell says that the June 5th class OPD is assembling now is already suffering from the lack of background check capacity

Mitchell says "even to get to that number [in the staffing study], you are three to five years away" [honestly, that's not likely either]

Ramachandran curious about the last six academies, start vs graduation vs completed field training. Mitchell says they budget for around 33 cadets and net about 20. The OO used public records to get these numbers, CM JR oakland-observer.ghost.io/10-years-of-op...

Gallo asking about human trafficking task force. Public Safety just had an update about it

last night and noted that FBI did do an op this year.

Surprising question from Wang, who asked if the each academy could have more trainees, up to 40..."the more you put through, the higher attrition...". Mitchell doesn't address the reality of the national shortage of trainees.

Jenkins suggesting he wants the council to increase the overtime that he himself budgeted to handle illegal dumping "we need to do sting operations...at illegal dumping hot spots"

Now DVP Chief Joshi is presenting. "we tried to really focus on what the charter says...reduce shootings/homicides, address trauma", to this end we focused on CF, "we brought that back 18 months ago...our budget has been shrinking. CF was not implemented at all before 1/24"

Approach and Prioritization



The DVP's approach to the budget centered the Department's City Charter mandates. They direct the DVP to reduce homicides and shootings, incidents of gender-based violence, and address trauma associated with those forms of violence

To this end we prioritized:

- The **Ceasefire** Strategy- movement toward full implementation of this research based, data-driven focused deterrence strategy.
 - Life coaches
 - Violence Interrupters
 - Client Incentives and Supports
- Continuing an investment in the important **non-profit services** working directly with Oakland's high-risk, vulnerable populations (as required by Measure NN legislation).
 - Group violence
 - GBV-intimate partner violence and commercial sexual exploitation
 - Healing supports

Jenni Lynchie is going through cuts...employment subsidy to zero, Healing is drastically decreasing; legal services decreasing; transitional housing...it's across the board. Joshi said that they are "doing more with less"...

Service Impacts



GENDER-BASED VIOLENCE

- > **Employment is decreasing from \$175K to \$0.**
 - 30 fewer people served by employment services.
- > **Healing is decreasing from \$1.15 million to \$945K**
 - 375 fewer support groups held for girls at Skyline, Tech, and West Oakland Middle School; 30 fewer children aged 0-5 served by therapy for survivors of domestic violence.
 - *Note: Beginning next school year, Skyline and Tech will have the School VIP Program on campus, which includes a GHV specialist.*
- > **Legal services are decreasing from \$650K to \$530K**
 - 100 fewer individuals provided with legal services.
- > **Transitional housing is decreasing from \$300k to \$150k while emergency housing is increasing from \$800K to \$850K.**
 - 15 fewer survivors served by transitional housing while 15 more survivors will be served by emergency shelter.
- > **Hotline services are decreasing from \$200K to \$100K**
 - 125 fewer hotline calls answered, and survivors supported with safety planning and service referrals.

GROUP VIOLENCE

- > **Employment is decreasing from \$750K to \$700K.**
 - 8 fewer people served by employment services.
- > **Family support is decreasing from \$905K to \$835K while healing supports is increasing from \$370K to \$640K**
 - 90 fewer neighborhood healing events hosted while 175 individuals at the center of group violence will now receive therapy.
- > **Violence interruption services are decreasing from \$1.8M to \$1.65M**
 - 1 fewer violence interrupter funded, and 50 fewer violence interruption conversations held.

SCHOOL VIP PROGRAM

- > **Restorative justice services are decreasing from \$350K to \$0.**
 - 100 fewer healing/support groups held for students at Castlemont and Ruidsdale.

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Lynchie suggests some of this is more surgical allocations, for example, providing transitional housing at a shorter period given usage is shorter than the time allotted.

DVP is also reducing High School restorative justice, they say there's services at the school. One of the schools was at Ruidsdale, which has experienced great levels of violence

Joshi says that Oakland is the third largest DVP in the nation, one of the best. She says their work is based on best practices. "we're going to hold ourselves and our non profit partners to extremely high standards"

Additional Context



In the coming year, we will hold ourselves and our non-profit partners to high standards, prioritizing our responsibilities to be reliable stewards of public dollars and dependable public safety partners working to reduce crime and increase safety through:

- Ensuring services are focused on individuals at highest risk for group/gun violence, intimate partner violence, and commercial sexual exploitation in Oakland.
- Realigning services with evidence-based models and promising practices.
- Initiating independent evaluations of the Ceasefire strategy (implementation, progress, and outcomes).
- Expanding our capacity to assess participant experience and transformation.
- Enhancing the City's ability to evaluate the impact of Measure-NN-funded services.
- Improving fiscal accountability practices for all contracted agencies through audits, clarified indirect cost rates, and standardized fiscal sponsorship fees.

Joshi: "ensuring that services are focused on the highest risk...those folks are hardest to reach, most difficult to serve...best practices"...did an evaluation of some community based interventions...they were not tailored to highest risk...an org had contact in weeks, not daily

a lot of Joshi's comments are basically saying they are restructuring DVP to be more surgically focused, and focused on those most at risk...lots of suggestion here that the CBOs have not been as efficient as they could be.

Joshi also says they are holding a higher level of fiscal accountability, will do fiscal audits for CBOs..."we are asking for more" from CBOs

Jenkins in his comments, gave credit for reduced murders. Having trouble understanding what Jenkins is suggesting here says he wants \$ 3MM to beautify Oakland for CBOs. Not sure if he is suggesting they pay folks to abate graffiti and dumping...

In a previous presentation from Joshi, she focused on decreasing the work program funding due to funding cuts

DVPs current budget is 4.3 MM, next year it will be 6 MM with federal and philanthropic additions which will increase 15 to 23 life coaches, 150 to 230 clients.

Wang has been very focused on sex trafficking throughout this discussion, asks Joshi to

differentiate sex exploitation violence from domestic violence in terms of efforts.

Joshi: pimps are coming from outside city, involved with group and gang violence, difference from historical Oakland experience, higher level of extreme violence.

Joshi" CF hasn't historically been involved in sex exploitation, but now that pimps are involved in gun violence, there's no reason that they shouldn't be included in the CF structure.

Joshi on the overlap of DV and sex trafficking...they can intersect and overlap. Some are both, "romeo" based, some sexually exploited women think they are actually in a relationship with their pimp. Joshi says there's 3 MM for gender based violence.

Joshi notes that CF can only be used for sex trafficking where it intersects with gun and group violence, it can't simply be focused on that without that element.

To a previous comment by Mitchell that they OPD are stuck in a hole from cancelling two academies from December to noow...with those two academies given attrition/academy production, max 50 - max 30...mostly still does not even get to 700.

Gallo's focus is not the budget at this budget study session

It's a significant amount of the time we are spending here.

Joshi is pushing back at some of the uncontrolled rhetoric in chamber: to say violence is continuing to escalate does not match up with data...when we implemented CF in 2024, we saw a 30% reduction in shootings...we're at over 64% reduction in shootings from 2024 to 2025..."

Joshi:"...historic reductions...there's no other period like this happening this quickly...we need to stick to what we're doing, we need to stick to research based practices...end of the day, it's the only thing I've ever seen work to reduce homicides and shootings"

Now OFD presenting their budget.

Steps OFD took to reduce costs, rightsizing in non sworn positions, committed to not cut services, but some might be reduced due to staffing challenges; deferring major

purchases. OFD went from 3 proposed brownouts in biennial, to 1.

Approach and Prioritization



- **Opportunity for position right-sizing throughout the department**
 - Each division reviewed vacancies for conversion into the positions needed going forward, in this new economic climate/reality
- **Evaluated expenses for fund shifts where appropriate**
- **Continuing to provide services, even if reduced due to staffing challenges**
 - Medical Services, Emergency Management Services, Fire Prevention
- **Defer major purchases (Apparatus)**
 - Fire has an aging fleet with significant apparatus replacement needs. A consistent budget over multiple years vs uneven large sum budgeting would allow for more effective fleet replacement.
- **Reviewing civilian positions (freezing, add/deletions)**
- **Final Resort: Evaluate Brownouts**
 - Fire initially presented a budget proposal with 3 brownouts continuing into FY 26 and FY 27 to try to meet initial department targets for GPF 1010 allocations
 - Currently, 1 brownout is proposed.
 - While 1 is 1 too many, OFD appreciates the Mayor and Councils prioritization of the safety of the Oakland community

The brownout was reversed with the additional funds that were made available after City corrected its over budgeting of police.

Some impacts to MACRO, OFD rep suggested that going forward OFD needs a dedicated source for engine and equip replacement.

Service Impacts



- Any Brownouts are a reduction in community safety
- Uncertain funding for major apparatus replacement
- Civilian positions frozen/deleted - Not eliminating any services – but impacted
 - FASD
 - Fire Prevention
 - Admin staff cuts impact plan check review, inspection turnarounds
 - MACRO – not maximizing approved positions will mean less outreach, intervention, outcomes. Balancing vacancies against remaining grant funds and reducing need for GPF 1010 additional support.
 - Emergency Management Services
 - Outreach, training, emergency response (EMSD)
- Fire Payroll Resources
- Critical to be able to Hire Budgeted Vacancies

On to SAFER grant which bolstered staffing several years ago; and Measure NN, requirements have staffing minimums, but rep says they can meet it. NN funding will add equip capacity

Additional Consideration



Minimum Staffing & SAFER

- Current Operational Sworn FTE (Filled): 432
- SAFER Requirement for minimum staffing: 477
 - Fall Academy hope to yield 30-35 new Firefighters
- Measure NN Requirement for minimum staffing: 480

Measure MM

- Fire or OPW lead/budget allocation decision (only \$100k to Fire for outreach in proposed)

Measure NN (former Z)

- Elevated Funding will support:
 - Safety Equipment Needs: Turnouts & Helmets with new safety technology
 - EKG/Defibrillator & Lucas Machines Replacement

State grant for MACRO will be winding down, but the slack will be picked up by GPF and opioid settlement funding

Additional Consideration



Payroll Support and Clarity on Centralization

- Fire needs at least one more full-time payroll clerk assigned. An Account Clerk III vacancy in Fire FASD was proposed to be deleted in exchange for an additional Payroll Clerk position in Finance/Payroll. The New Payroll Clerk III position added to Finance/Payroll's position count is critical to be allocated to Fire Payroll and to keep in the budget.

MACRO

- State Grant funding (funds most positions) will be exhausted end of Q3 FY2026.
- GPF 1010 is proposed to pick up through FY 2027
- New grant opportunities are being pursued to continue MACRO

Fleet Needs

- OFD has ongoing unfunded needs to replace a very aging fleet.
- \$5.0M is budgeted in each of FY 25-26 and FY 26-27 for Public Safety Vehicles.
- \$2.5M/yr over next 4 years would allow OFD to order 3 Trucks and 3 engines

OFD chief Covington going through the most recent update to brownouts...confirming its been shifted to 1 closure.

Covington and Unger noting that Measure NN should have provided 3 MM for OFD, but they are budgeted only at 2...Budget Director Johnson notes that the year one allocation matches Z, which was 2 MM, in year two it goes to 3 MM.

Johnson: "its a little bit strange...fire stays at 2 MM due to Z match, DVP and OPD get a percentage instead"

Gallo going after street vendors now "it's out of control".

Covington on MACRO: MACRO's doing fantastic work, but "as a city you need to decide what you want MACRO to do...if there's a specific lane that you want MACRO to be in, you need to decide that as a city.

Covington on street vendors...."cleared out Paramount, Fox...OFD is just one of the partners, public health, OPD...we don't have the ability to shut them down or take their cart from them...

Covington: "do we want them to go out of business, or just cite them and force them to get a permit..."

Brown focusing on access to MACRO..."what is getting in the way for MACRO to take calls being routed to 911...is it staffing?"

Covington: "MACRO is taking all the calls that are supposed to be routed to MACRO...MACRO is going on as many calls as they can go with staffing they have...sometimes calls will have to be prioritized"

Any call that MACRO is responding to is not an emergency call..."that continues to be an OFD or OPD call"

Covington: "everything that you can imagine, MACRO has been asked to be a part of that...we spread MACRO out across all different gray areas of what the city needs...then the feedback comes back that MACRO is not doing what it was originally meant to do..."

Covington: "if you want specific data about MACRO taking quality of life and mental health calls...if you're asking MACRO to do seven different things" it's harder to gauge efficacy

Johnson says there's a reactive approach to food vendors...OFD is proactive about open flame...Johnson basically saying there is a cost to being proactive, it can create conflict that can't be resolved without sworn officers [and the cost there is to that]

Covington: "how we hire, the kind of training...MACRO doesn't go into buildings" interesting, last night Elliot Jones said that while they avoid going in, they do actually do it if necessary. So unclear if its a policy.

They moved on very quickly from both departments. Two CMs seemed to have no knowledge of what the departments do. Now Josh Rowan Interim Director of Public Works, normative OakDOT director



Oakland Public Works FY2025-27 Budget

Josh Rowan, Interim Public Works Director
May 28, 2025
Budget Hearing Presentation



Rowan says that both Oakdot and OPW "faired well" in the budget environment "we're not a heavy draw on GPF" due to voter approved funding.

On Measure U bonds "we're very excited that that is back in play" can pave 50 to 60 miles per year with bonds...appreciative of move to sell the bonds

ramping up sidewalk repair...addressing future settlement for ADA settlement. He says that there will be 25 years of work on the sidewalk repair.

Jenkins asked about illegal dumping again. Rowan:... "at some point it needs to pass over to criminal realm when it comes to dumping, civil penalties aren't sufficient"

Rowan makes an interesting point:

"It seems the better we get at picking up trash, the more we get..." Rowans says they need enforcement with teeth and environmental design.

Brown asked about the illegal dumping camera efficacy; Rowans says there's about 40 cams "...Oakland is 80 sq miles, that's one camera per two sq miles...the camera is really only covering less than 1% of 1%"

Brown asks if illegal dumping is codified as criminal violation. Rowan says he doesn't know.

On bus shelters, the current budget doesn't have funds to address the city wide bus shelter issue...Oakland is the only city that maintains its own shelters, trying to pursue pilot on different potential shelters

Wang asking how sting operations would work, who would manage. Rowan says they'd partner with OPD, in a support position with police

Speed cams online by 2026, starting with issuing warnings, slow ramp up.

Fred Kelly director of OPRYD now

Kelly says that they've restored some services that would have been reduced after going back to the books

Service Impacts



Services that will be eliminated or reduced.

- **Recreation Centers:** Reduced hours for non- Town Afterschool Program (TAP) sites.
- **Youth & Afterschool Programs:** Potential consolidation of TAP recreation center sites.
- **Afterschool Sports & Arts:** Reduction of after-school sports and adult programs.
- **Park & Building Safety:** Reduction of security services at major parks and recreation centers.
- **Safety & Compliance Voids:** Gaps created by reduced permanent supervisory staffing.



Kelly says that freezing formerly vacant positions now prevents staff from doing those jobs officially

Service Impacts cont'd...*



Youth Program Capacity Reductions: fewer youth served due to deletion or freezing of critical staff positions, affecting:

- Town Afterschool Program & Afterschool Sports
- Town Camp & Town Camp + Swim
- Studio One Summer Camp
- Oakland Fine Arts Summer School

Decreased supervisory personnel and increased supervisory workload:

- Administrative Analyst II - Frozen
- Recreation Services Manager - Frozen
- Recreation General Supervisor - Frozen
- Recreation Supervisor – Frozen

Partnerships Reductions: Partner-led programs at City owned sites will be impacted.



I've heard very few questions today that would result in being able to use budgetary funds in a different way.

Public Library, Jamie Turbak, Director, presenting

balanced budget by shifting funds out of GPF to Measure C and D fund balances. GPF remains 11.7 MM, below maintenance of effort, which is 14.5 MM. "this could not be a sustained practice moving forward"

Approach and Prioritization



- OPL's General Purpose Fund budget was reduced by approximately \$890,000 in year 1 and year 2 of the biennial and costs were transferred to Library funds Measures C and D.
- OPL's total General Purpose Fund budget is approximately \$11.7m each year, which is \$2.8m below the minimum maintenance of effort (MOE) requirement of \$14.5m for Measure C. OPL's FY2025-2027 General Fund appropriation represents 1.43% of the City's total General Fund budget.
- In recent years OPL has utilized Measure C and D reserves to cover General Fund costs without impacting service. However, this cannot be sustained in the long-term without reduction to services.
- A total of 8.54 FTE vacant positions were frozen and 0.60 FTE were deleted across all funds to balance the biennial budget.

Reduced positions but increased efficiencies in other ways...some positions are TPT, TPT's help when permanent are on leave or sick, and off hours...

Concerns about impacts to other departments that interact with library, OPW...and need to fund vacant positions...

Other



Greatest Barriers to Delivering OPL's Mission:

- Insufficient Capital Improvement Project Management support, deferred maintenance, and custodial services from the Public Works Department due to that department's unfilled vacancies and small maintenance budget.
- Staff at Oakland Public Library, and at public libraries nationwide, are increasingly called upon to manage and respond to patrons who may be experiencing mental health crises and/or exhibiting threatening behavior.
- Slow hiring process for funded positions. The Library Department needs approximately eight recruitments now. We currently average about two recruitments a year. This puts us on a 4 year timeline to fill some existing funded positions.

Turbak corrected Gallo about his claim that Cesar Chavez is closing, she said it will not

close.

Turbak notes that 675K for new computers is to also pay for subscriptions to Windows, etc...she says that Trump admin cut a federal fund that would have paid for the computers.

Human Services is being presented by Latonda Simmons, presenter could not make it...it will be perfunctory for that reason. Questions answered off line

Simmons goes through the sub-agencies at HS:

Aging and adult services

children and youth services [OFCY, Kids First]

early childhood and family services [federal headstart]

community homeless services

fiscal division [27% vacancy rate]

Simmons slides are not available on zoom

budget affects: aging and adult services and community homeless services division

Annie Freiberg is presenting on the budget effects on aging/adult and homeless services, the slide is illegible on zoom.

Approach, Prioritization, & Service Impacts



DIVISION	APPROACH & PRIORITIZATION	SERVICE IMPACTS
Aging & Adult Services (AAS)	<p>Approach: Focused on maintaining service continuity and minimizing the impact on staffing and critical services while seeking sustainable funding solutions.</p> <p>Prioritization</p> <ul style="list-style-type: none"> • Preservation of In-Person Assistance • Empowering Choice • Revenue Expansion 	<ul style="list-style-type: none"> • Increased Vulnerability: The reduction in senior center hours and days significantly impacts the ability of vulnerable seniors to receive the hands-on support necessary for navigating services. • Limited Access to Services: Without adequate in-person guidance from R&A specialists, seniors are at risk of not receiving the services they need, leading to potential health and safety risks. • Increased Burden on Seniors: Seniors may experience increased frustration, confusion, and isolation due to a lack of proper guidance in accessing services. • Long-Term Harm: Without these vital services, seniors may suffer irreparable harm, including unmet health and social needs.
Community Homelessness Services (CHS)	<p>Approach: Focused on reducing reliance on General Purpose Funds (GPF) by utilizing alternative funding sources and realigning program services to maintain homelessness services despite fiscal challenges.</p> <p>Prioritization</p> <ul style="list-style-type: none"> • Maintaining Essential Services • Minimizing Program Cuts • Staff Retention and Support • Service Continuity 	<ul style="list-style-type: none"> • Program Closures & Reductions: Continued budget cuts and reliance on alternate funding sources may lead to program closures, affecting the unhoused population and leading to increased encampments and unsafe living conditions. • Reduced Hygiene Support: Budget cuts may lead to the reduction of hygiene supports for unhoused individuals. • Staffing Challenges & Increased Workload: A 40% vacancy rate and the absence of key managerial positions, such as the CHS Division Manager and Health and Human Services Planner, lead to limited oversight, overstretched staff, and reduced operational capacity, resulting in burnout and decreased efficiency. • Data Analysis Limitations: Freezing the Data Analyst III position limits the division's ability to conduct robust reviews of data and assess program outcomes effectively.

There's a 17 MM deficit in homeless; 1 MM reduction in aging in both years

we are down to one person per each city run city center, the director, due to the reductions in 2024. One center in WO is down due to construction, construction is over in June. "It will be very difficult to open the center without full staffing..."

As custodians attrited, retired, they were eliminated in Jenkins budget. Also "a source for our revenue is rentals...but we can't do rentals until we have staffing...with all those cuts, it will be a big challenging to operate senior centers....only operating 4 days a week, 9-1

Food bank and brown bag are also run out of senior center, so those additional services will be difficult to run.

Medical dollars may be available to fund some of the operations of the centers, however...

That was the most negative presentation to date, catastrophic budgeting impacts at Oakland's four senior centers.

Simmons says they are reaching out to philanthropy "we believe there will exciting news that comes forward as those convos develop"

Simmons noting that Oakland lacks the capacity for temporary or permanent affordable housing..."we know that the competitive process in funding sources...exhaustion of funds continue to hamper City's abilities to meet funds"

Simmons says that the 17 MM deficit doesn't factor in funds from a potential HHAP 6 application...which may not be granted until after budget is adopted.

HS at mid-cycle budget and December balancing, now only gets 10% GPF support

Brown asked how much it will cost to staff the WO site when it comes back on line. Response, Director at 200K ; custodians, right now they are only part timers...300K, operating with utilities security, etc...

HCD, Dir Emily Weinstein presenting: primarily kept intact in Mayor's budget. No cuts to existing filled positions, at cost of 13.5 frozen positions, saving 3.5 MM in each budget year, lower staffing RAP, increasing consultant costs, and risk of non compliance on existing grants

Approach & Prioritization



STAFFING STRATEGY

•**No Staffing Cuts:** No cuts to HCD's 73 existing filled positions.

- Housing Development & Preservation: Maintain staff responsible for managing existing affordable housing projects under construction, loan closings of pipeline projects and asset management.

- Generating Resources: Maintain staff dedicated to applying for resources and increasing funding sources for affordable housing development and preservation.

•**13.5 Frozen Positions:** Freezing 13.5 FTEs vacant positions will yield **\$3.4M of gross saving each year** but will result in lower service levels in RAP services, reliance on consultants, increases risks of non-compliance and longer administrative processes.

- Proposal maintains over **\$6M in Fund 1870** for staffing costs including executive leadership, HCD administration, housing development and preservation staff, RAP staff, etc.

Budget balancing to maintain program to 1870: RAP funding, HUD/CDGB compliance transferred to 1870, homelessness prevention and eviction defense, adds 100 MM in Measure U funds not originally in budget, but now after bonds are going to market, included...

Approach & Prioritization



PROGRAM STRATEGY

- RAP Fiscal Solvency:** Transfer 2.41 FTE / \$860+K of RAP staffing to Affordable Housing Trust Fund 1870 to maintain RAP's fiscal solvency.
- HUD/CDBG Compliance:** Proposal maintains staff that administer federal HUD grants and ensure compliance. Transfer 5.18 FTEs or \$1.35M of staffing for CDBG activities not-covered by HUD grant to Affordable Housing Trust Fund 1870 to maintain compliance with HUD CDBG grant.
- Funding for Homelessness Prevention & Eviction Defense:** Propose no capital funding from Affordable Housing Trust Fund 1870. Instead propose \$1.8+M and \$2.3M for targeted homelessness prevention and \$1.1+M and \$1.3M for eviction defense. This is prioritized as the most economical and evidenced based way to reduce homelessness.
- RLS Program Delivery Improvements:** Increase impact of residential lending services by freezing 3.5 FTE vacant positions and contracting program elements to outside contractor to serve low-income homeowners.
- Inclusion of \$180 M of Measure U Funds:** Original budget proposal did not include Measure U bond proceeds. Current budget includes \$100M in FY 25-26 and \$80M in FY 26-27. Budget proceeds will allow HCD to proceed with loan closings with new construction projects awarded through NC NOFA funds and the partnership with the Housing Accelerator Fund for preservation.

The freezes will affect service provision in RAP

Service Impacts (1/2)



13.5 Frozen FTEs will result in the following service impacts:

RAP Service Reductions:

- Additional 36-48 hours of response time per inquiry for over 4,200 housing counseling inquiries received annually
- Approx. 320 fewer rent adjustment petitions responded to per year
- 84 fewer rent mediations settled per year
- Longer processing time for rent registry forms-includes phone and e-mail inquiries, workshops/seminars, filing on behalf of clients-in-need, and more
- Fewer tenant and property owner educational workshops offered

****MFS includes a proposal to increase RAP Fee (\$101/unit to \$137/unit) not reflected in budget proposal***

There's a Master Fee increase in RAP fee...that isn't included in the budget because the Master Fee schedule hasn't been passed yet. It will offset some of the impacts

More service impacts

Service Impacts (2/2)

Housing Development, Preservation & Asset Management Service Reductions:

- Reduced capacity to underwrite or close construction for 15+ new affordable housing projects and manage project construction draws.
- Delay in implementing housing funding programs including predevelopment loan program, R2H2/homeless housing, and asset management funding.
- Increased risk of non-compliance with state and federal funds e.g. Homekey, HOME, IIGC, and more

HCD Administrative Service Reductions:

- Decreased external communications
- Extended timelines to respond to Public Records Requests.
- Longer timelines for contract management and funding requests

Residential Lending Increased Service Levels

- Residential lending services (RLS) will contract elements of the low-income homeowner rehabilitation program to serve more households
- Allows HCD to maintain spending ratios for CDBG compliance.

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Service Impacts (2/2)

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They've been going over the Affordable Housing Trust Fund for a while now.

Dept of Workplace and Employment Standards now

DWES

Approach and Prioritization



Past and Present

DWES never fully formed as a new City Department.

Approach

Re-organize processes, people, and technology to maximize meeting the minimum with a smaller budget – do more with less.

Prioritization

Start with fully implementing legal mandates.



DWES needs 9 staff members to enforce 2018 Measure U, but has never had the funding for the staff. "we are continuing to do more with less..."

Service Impacts



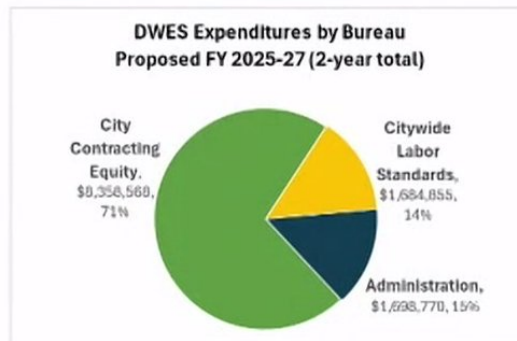
Expenditures reduced from \$6.82 million (FY 24-25) to \$5.88 million (FY 25-26) and \$5.86 million (FY 26-27)

Citywide Labor Standards

- **Impact:** Limited capacity to investigate complaints will continue. Low-wage workers are at risk of wage theft during an economic downturn.
 - Collect fees already on the books.
 - Restore Fair Labor Oakland (FLO) for outreach.
 - Reorganize positions from Contract Compliance Officers to Labor Investigators.

Citywide Contracting Equity

- **Impact:** Build out administrative capacity to assess and develop programmatic operations and policies.
 - Internal Funding Sources: "Customers" also include City Departments – they pay for DWES bottlenecks.
 - Local Hire does not help employ residents or contractors due to many waivers.
 - Local/Small Local Business Inclusion: Outreach is not aligned with the services the city buys. Results in setting requirements to 0%. Using the default 50% results in failed solicitations.



DWES takes two to three years, and sometimes five years to close cases for worker exploitation.

Forgot that Joe Devries is the acting Animal Services director

12% reduction in Animal Services, on top of reductions over the years. Devries says that OAS focus is on state/city-mandated requirements. Strategy to maintain OAS: maintain freezing of director position, keep frontline staff intact + Friends of OAS support and funding

Approach and Prioritization: OAS



- **The OAS priority is to maintain the ability to meet State and City mandated services including:**
 - Sheltering and providing medical care to animals in OAS's care
 - Dog licensing, rabies vaccination and isolation of biting animals
 - Emergency veterinary care to sick and injured animals
 - Managing the disposition of potentially dangerous and vicious dogs
 - Accepting owner surrendered animals, and identifying people to adopt animals, and redeeming stray animals reclaimed by owners
- **The primary cost reduction approach:** Freeze all vacant positions and reduce leadership staffing by eliminating the Director position to maintain frontline staff that care for animals. Freezing the Director position will reduce the annual budget by \$455,000
- **Secondary approach:** Increase reliance on outside funding and staffing by Friends of Oakland Animal Services (FOAS) to meet non-mandated services and to cover certain O&M costs such as food for sheltered animals
- **Additional strategy:** OAS is bringing forward a revision to the Animal Control Ordinance that will create operational efficiencies that will reduce costs over time (by an unknown amount)

Starting in January reduced hours to five days a week, two days by appointment only, hinders acceptance of surrendered animals and adoption, but staff can't keep AS open...midnight to 9am no emergency animal control services available

Devries says that interim position has slowed down policy and legal development.

Devries is laying out a disturbing list of loss of services and support at OAS.

Ashleigh Kennat director of Economic and Workforce Development; have to take a break here

Approach and Prioritization



1. **Revenue:** Identify revenue adjustments
2. **Labor:** Document core services and identify staff and labor costs needed to deliver core services, consistent with the Economic Development Action Plan (EDAP); account for known retirements/resignations; shift staff to non-1010, non-56xx funds to the extent possible
3. **Contracts:** Identify ongoing contract obligations and future contract needs
4. **O&M:** Identify opportunities to consolidate and streamline O&M expenses
5. **Non-Departmental Expenses:** Identify and describe critical non-departmental expenses and projects managed by EWD that require financial support

Kennat noted that the budget cuts mean the EWD won't be able to expedite as many events and festivals; on Scotlan Center, EWD is subsidizing

Cultural Affairs manager is still funded.

special activity permit dept...the position generates revenue, so the city will lose revenue with loss of permits role

State law now allows open containers of alcohol in street in "entertainment zones"... "what we are seeing is that they work best when there is infrastructure in place" align entertainment zones with cultural districts. "you really need to have infra to support safety"

Without fail, Gallo takes the questions to issues that do not affect budgetary considerations.

To Gallo doomloop, Kennat noted that there are business cycles and not every business survives, businesses have started, "we need to celebrate our businesses". Second time a director has pushed back on Gallo's doomloop narrative.

Planning and Building next, Bill Gilchrist director; PBD gets most of its funding from revenues from fees for the activity, very little comes from GPF. So there's no real service impacts. "we are not proposing any reductions in service"

Service Impacts



- At this time, PBD is not proposing any reductions in service. As one of the revenue generating departments responsible for City development services, the fiscal budget is critical toward improving the department's service level.
- By maintaining the current fiscal year's budget amount for the fiscal year 25-27 budget cycle, PBD will be able to continue improving services to the public by filling the vacant positions we are currently in the process of recruiting. These recruitments, along with process improvements, will allow us to better support the development necessary to help address the City's current fiscal challenges.

Gilchrist: "we are going to be leaning in to doing more"

Gilchrist says there's a 28% average vacancy across the roles in PBD, going to be working on hiring those

Revenue will be an additional 9 MM on top of target that Finance set. The headline here is PBD is the only department thriving and expanding, no cuts

Approach and Prioritization



- Principal focus is to improve permitting, enforcement and development services.
 - Based on the PBD fee increases that Council adopted this fiscal year, and the revenue PBD has collected to date, we are forecasting our revenue to be an additional \$9,000,000 on top of the target that was provided by the Finance department.
 - PBD proposes using approximately \$22,000,000 of fund balance for each fiscal year.
 - PBD proposes using approximately \$2,000,000 of carry-forward funds for each fiscal year.
 - PBD is expecting to enter 3 contracts totaling \$970,000.

Gilchrist says permitting walk ins on monday and wednesday, and appointments on tuesday and thursday. Workers may add an additional day in office.

Department heads have been pushing back against Gallo's baseless rhetoric all day, for the public's benefit.

Only two speakers on this, remarkably

Now HR: FTE 50, 18MM...how they approached budgeting [looks like the entire city used "zero based budgeting"]

Approach and Prioritization



- Assume relative reduction in citywide recruitments due to ongoing hiring freeze.
- Eliminate use of temporary staff and redistribute work to existing staff.
- Reduce training contracts by 50%.
- Eliminate unutilized O&M funds.

Freezes and deletion. The difference between these; a frozen role can be unfrozen and filled in a budgetary move. A deleted position no longer exists, must be created by scratch and recreated ministerially.

Service Impacts



Recruitment and Classification Services

- All of the position deletions and freezes will impact the Recruitment and Classification Team. Deleting and/or freezing positions will impact the volume of recruitments that can be performed by the remaining staff and supervision and oversight of the recruitment team's work.
- **Delete 1.0 FTE Principal Human Resources Analyst** – Shift supervision to other staff, which may impact the remaining staff's bandwidth to perform recruitments.
- **Delete 1.0 FTE Human Resources Manager** – Lose a Human Resources manager to oversee the recruitment and classification staff and functions, including data analysis, support for the Civil Service Board, and process improvement.
- **Delete 1.0 FTE Human Resources Technician** – Deleting this position will reduce the support provided for recruitment activities, including, but not limited to, the timely processing of new hire paperwork and the maintenance of position control work.
- **Delete 1.0 FTE Administrative Assistant II** – Deleting this position will either eliminate or shift duties to other staff in the areas of supporting the Civil Service Board, especially for appeals, administrative support for the recruitment division, and overseeing the subpoena response process.
- **Freeze 1.0 FTE Senior Human Resources Analyst** – Freezing this position will prevent the department from hiring additional staff to support advanced journey level recruitment and classification activities.

Just a note, they took public comment before all of the items were read in. Finishing up, last presentation of day is ITD Information/Technology Dept. 6 MM reduction across all funds, termination of existing, planned projects, not filling attrition: "keep the lights on budget"


Approach and Prioritization




- The proposal reduces **nearly \$6 million** from the overall ITD budget through the termination of **existing contracts, planned projects, ALL vacant positions, and some filled/planned separations.**
- The approach included a **comprehensive review of all contracts and services and prioritized only core, mission critical Citywide and multidepartment services that are in full operational capacity.**
- This approach reflects a **"keep the lights on budget"**

elimination of business analysts that were assigned to Accela team, long-standing vacancies unfilled, now slated to be deleted. Will have impact on improving Accela/permit

work...admin analyst that works on contracting, invoices will bottleneck.

Vacancy Position Impacts								
Administrative Analyst II.AP106	FD_4200	OR_46111	PJ_1000011	PG_IP62	-0.25	-52,704		
Administrative Analyst II.AP106	FD_4210	OR_46111	PJ_1000011	PG_IP62	-0.25	-52,704		
Administrative Analyst II.AP106	FD_4300	OR_46111	PJ_1000011	PG_IP62	-0.25	-52,704		
Administrative Analyst II.AP106	FD_4600	OR_46111	PJ_1000011	PG_IP62	-0.25	-52,704		
Business Analyst II.AP117	FD_2415	OR_46361	PJ_1003971	PG_IP49	-2	-439,356		
Telephone Services Specialist.AP340	FD_4210	OR_46271	PJ_1000011	PG_IP62	-1	-216,895		
Reprographic Assistant.SS180	FD_4300	OR_46121	PJ_1000011	PG_IP64	-1	-112,179		
Information Systems Specialist I.AP242	FD_4600	OR_46251	PJ_1000011	PG_IP62	-2	-364,511		
							VACANCIES TOTAL -1,343,757	
Filled Positions (including separations)			3				\$-651,602	

O&M Reductions, radio shop and telephone services: will hinder repair, "equipment that we're maintaining beyond its lifespan, that we can't replace". Oakwifi, and support for that
[?]

Vacancy Position Impacts								
Administrative Analyst II.AP106	FD_4200	OR_46111	PJ_1000011	PG_IP62	-0.25	-52,704		
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Council will continue the meeting to tomorrow 1pm; now open forum

Speaker completely misunderstanding the plan for moving IAD to CPRA. 100% ignorance.

The IAD to CPRA plan would move the current IAD investigator roles to CPRA, and yes, increase their budget. The budget was increased in this expectation, almost tripled in 2023 budget

The idea came out of the reimagining public safety taskforce recommendation, it has been delayed for over five years.

That's it for mtg today, continued tomorrow. I know that no one could possibly sit through all these meetings, but it is a great way to understand what the depts do, how they are cutting their budget and what that means for the city. I hope this live reporting stream will help

Source: https://x.com/Oak_Observer/status/1927847947267375457

Thread: <https://twitter-thread.com/t/1927847947267375457>