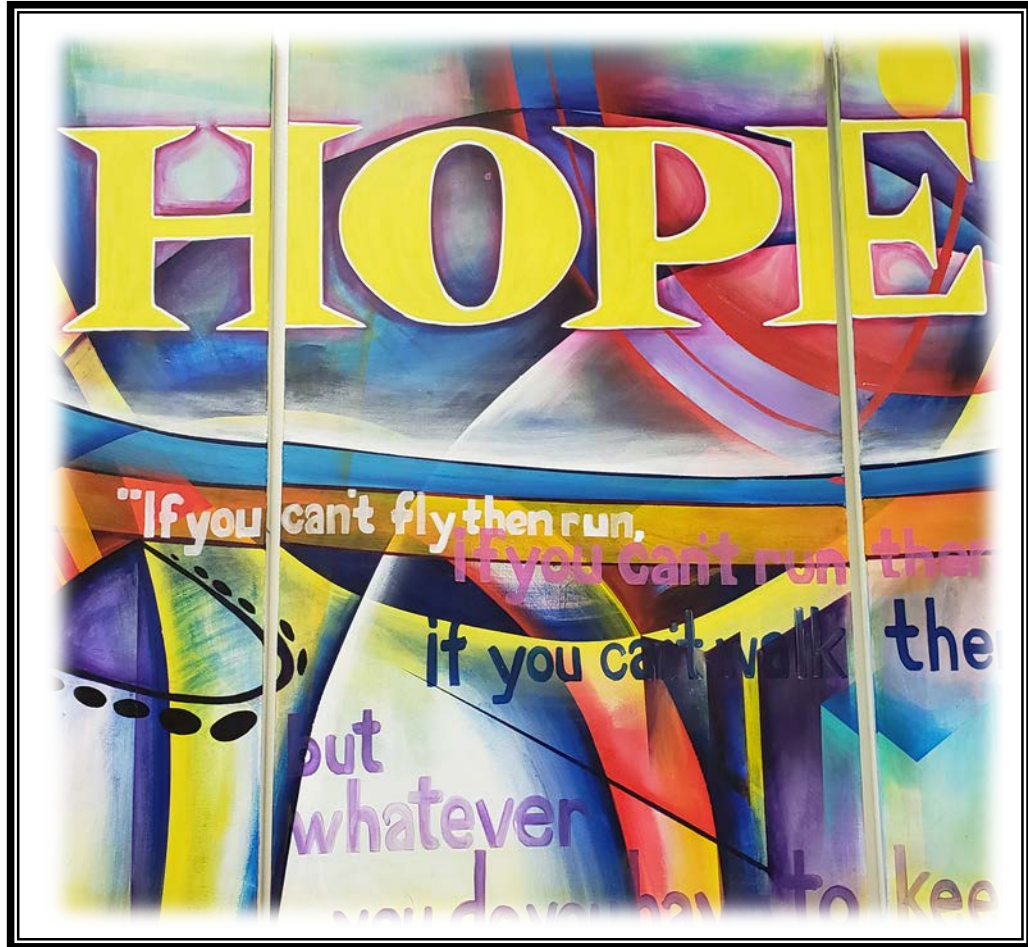


CITY OF EAST PALO ALTO ADOPTED BUDGET



FISCAL YEAR 2018-2019

*Cover Art Displayed in City Council Chambers
Provided by Mural Music & Arts Project*

The Mural Music & Arts Project (MMAP) educates, empowers, and inspires youth through participation in the arts by offering year-round, youth development programs in the Bay Area. MMAP began in 2001 as the East Palo Alto Mural Art Project, employing local teens to design and create a mural for every school in the district. MMAP's teen artists have researched, planned, and installed a public arts legacy. These murals reflect themes of community, cooperation, equity, justice, environment, and local history.

FY 2018-2019 Budget

Mayor



Rubén Abrica

Vice Mayor



Lisa Gauthier

Council Members



Larry Moody



Carlos Romero



Donna Rutherford

MISSION STATEMENT

The City of East Palo Alto provides responsive, respectful and efficient public services to enhance the quality of life and safety for its multi-cultural community.

Executive Staff

Executive Staff

Carlos Martínez, City Manager/City Clerk
City Manager's Office

Sean Charpentier, Assistant City Manager
City Manager's Office

Marie McKenzie, Administrative Services Director
Administrative Services Department

Brenda Olwin, Finance Director
Finance Department

Kamal Fallaha, Public Works Director
Public Works

Albert Pardini, Police Chief
Police Department

Rafael E. Alvarado Jr., City Attorney
City Attorney's Office

Maria Buell, Deputy City Clerk
City Clerk's Office

Budget Team

Carlos Martínez, City Manager/City Clerk
Brenda Olwin, Finance Director
Paul Maumalanga, Financial Services Manager
Agnes Pabis, Accountant II
Ana Maria Torres, Payroll Accountant II

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City Manager's FY 2018-19 Budget Message

May 29, 2018

Updated June 30, 2018

To the Honorable Mayor and City Council:

I am delighted to present to you a proposed budget for Fiscal Year 2018-2019 for your consideration. Staff will present to the City Council over a two day period, on May 29 and May 31, the individual departmental budgets and Capital Improvement Program (CIP). If Council has more questions or suggestions—and if necessary—a special meeting will be scheduled for June 12; otherwise, the FY 2018-2019 budget is scheduled for adoption at the regular meeting of June 19, 2018.

SUMMARY OVERVIEW

Silicon Valley and the US economy continue in a positive trend driven by robust consumer spending and in part by recent tax cut legislation. Real GDP grew at an annual rate of 2.5% in the fourth quarter of 2017 and a similar growth is expected for 2018, moderating after few years toward an output growth of around 1.7%. Meanwhile, the labor market remains very strong.

The national unemployment rate fell from 4.1% in March 2018, to 3.9% in April, the lowest point since 2000, well below its natural level of 4.75%¹. San Mateo County and East Palo Alto 2018 unemployment rates went down from February's 2.4% and 2.9% to April's 2% and 2.4%, respectively; a new historical low for East Palo Alto.² The very low unemployment rate has placed a lot of upward pressure on salaries, and consumer spending, with inflation moving gradually toward the Federal Open Market Committee's 2% target. At full employment it is difficult for public and private sector companies to find and hire qualified candidates.

In addition to the labor challenges, housing and traffic have become factors impacting Silicon Valley's rate of growth. Housing costs in the Bay Area have increased considerably mainly due to a protracted jobs-housing imbalance. Between 2010 and 2014, San Mateo County gained 54,600 jobs but built only 2,100 new homes. As a result, only 14% of San Mateo County households can afford the median-price home in the county, and 63%, a majority of the County's workers live outside the county, creating traffic congestion and increasingly longer commutes³. Despite the challenges the current tight labor market presents, and with a very low city staffing to service ratio, the City struggles, but continues making slow progress on advancing a number of Capital Infrastructure Projects, including the Highway 101 Pedestrian Overcrossing and Gloria Way Well. However, these two projects and many others, at the design stage (Bay Road,

¹ US Department of Labor, Bureau of Labor Statistics.

² State of California Employment Development Department, Monthly Labor Force Data, February and April 2018

³ Home for All, San Mateo County Report. <http://homeforallsmc.com/>

trash capture device, Cooley Landing Phase IV and V improvements, and University Avenue overpass) have consumed nearly all the engineering division staffing capacity and also stretched thin our Finance staff.

With the largest level ever of city led construction activity our Finance and Public Works Departments have had to more closely track individual project's cash needs and reimbursement schedules, to make sure the City has enough liquidity to meet the financial demands and large invoice payments of these projects. In addition to the consumption of staffing resources, these projects and additional infrastructure will add increased and ongoing maintenance and operational costs, still to be determined.

CHALLENGES AND OPPORTUNITIES

Over the past three years, the City revenues increased substantially mainly due to increases in: (1) assessed property valuation from the Woodland park purchase of the EQR multi-family portfolio, the increased revenues (property tax and business license fee) from the Sobrato Organization's 200,000 class A Office project and continued turnover in the residential housing market; and (2) two general tax measures approved by the voters. However, the City is experiencing a general "leveling" in the growth trajectory of major tax revenues beyond fiscal year 2018-19. For example, preliminary assessed valuation data indicate a year over year increase of approximately 6.8% in secured property assessments compared to 20% in the previous year.

The City's ability to increase revenue by taxation is limited given that East Palo Alto has a relatively low commercial base. East Palo Alto has 0.2 jobs per employed resident, while other Silicon Valley Cities have two or three jobs per employed resident; and East Palo Alto is a working class community. Two projects currently in the entitlement process: 2020 Bay Road and Sobrato Phase II (1.4 million and 200,000 square feet of Class A office respectively,) could greatly grow our commercial tax base and generate future revenue growth to further stabilize current services, and to address any priority Council may want to prioritize, i.e., affordable housing, better parks, better roads, better services for seniors, etc.

Even if these projects are approved in late 2018 or early 2019, it will take at least three years before these projects generate significant property tax and business license revenue. An economic recession could delay these projects for 5 to 10 years. For example, the new Sobrato building was originally entitled in 2002 and did not receive building permits until 2015.

Therefore; during the next three to five years, despite a potential new tax measure, near term revenue growth will be limited to the current and relatively small commercial tax base; as a result, it will be important to conserve our financial resources and reserves to bridge that revenue gap, and to meet the larger infrastructure maintenance needs, as well as increased operational, health care and labor costs, rather than expanding programs or service levels.

In addition to expanding the City's commercial base, it will be equally important for the City to adopt new development impact fees and update our Master Fee schedule to ensure that these proposed new projects are paying development-related service and permit costs and fees to

mitigate related development impacts. One of the greatest challenges currently facing the City organization is maintaining the strength of its workforce, which is critical for implementing the City Council's priorities. Given current market conditions in San Mateo County, with an unemployment rate of 2.4 percent, it is increasingly difficult to find qualified candidates, and compete with other municipalities that can offer better salaries and benefits.

As a result, our staff turnover has increased along with the organization's workload, which has created a more stressing work environment as more work is distributed among less staff. Furthermore, the City facilities have limited adequate office space and needs to complete tenant improvements to expand its footprint to accommodate the additional staff already authorized. Nevertheless, as mentioned before, despite these challenges, slowly but surely the organization continues advancing the Council's ambitious agenda.

The City also continues to manage infrastructure areas with significant regulatory mandates and deferred investment risks, including: (1) water infrastructure and regulation; (2) storm-water infrastructure and regulation; (3) basic public facilities; and, (4) storm drains and flood-prevention infrastructure. Despite recent, unprecedented funding allocations, the current budget structure does not fully address funding for the significant costs associated with these risks, and staff anticipates this area of concern will require new infrastructure-related tax and fee revenues over the course of the next eighteen months.

Another challenge the City should pay particular attention to, is the increased costs in unfunded CALPERS pension liabilities that will increase substantially in 2020 and beyond. Initial projections indicate the City reserves and fund balance provide the City enough space to weather increased personnel costs in the short-term.

However, future economic conditions and Council decisions over current reserve levels and the use of the fund balance will ultimately determine how long the City is able to maintain current service levels until the next wave of development and/or commercial expansion occurs.

Thus, during the upcoming budget cycle the City needs to continue focusing its efforts in the large number of great projects already underway to complete them, thus continuing the City's strings of successes and accomplishments; exercising fiscal discipline to control the number of programs and services we provide to control our costs, and continue seeking grants and outside funding to meet the City's capital needs. A critical initiative is adopting a Housing Strategy, and soliciting proposals for developing 965 Weeks Street into an affordable housing project.

Preliminary projections indicate budgeted General Fund revenues will increase from approximately \$26.6 million in FY2017-2018 to \$28.5 million in FY2018-2019; that is a 6.67% increase. It is important to note that highly volatile development-related permits and charges for services are expected to change year over year, and are dependent on the timing of lifting the water connection moratorium and economic conditions. However, I estimate that this sustained economic expansion we have experienced, is reaching its limit and expect it to flatten substantially over the next two years due to the fact that there will not be substantial commercial development in the next two years, and housing prices and property transfers have most likely reached a plateau.

While our General Fund revenues have increased 6.67%, our expenditures (including transfers) are going up 7.89% from \$25.7 million in FY2017-2018 to \$27.9 million in FY 2018-2019. As with revenues, the expenditure budgets include highly volatile appropriations for development-related contract costs that are offset, or paid, by development fee revenues. There are a number of highly changed departmental operating requests that either are not fully budgeted at this time, or will change significantly due to volatile development activity. See Table 1 below.

Table 1

Fiscal Year 2018-2019 Budget (000's)					
Description	General Fund	General Reserves	Total General and Reserves	Other City Funds	Total
Total Revenues	27,035	1,425	28,460	8,225	36,685
Total Expenditures	(23,390)	(3,462)	(26,852)	(7,449)	(34,301)
<i>Net Sources / (Uses)</i>	3,645	(2,037)	1,608	776	2,384
Net Transfers	(3,325)	2,296	(1,029)	1,029	-
<i>Change in Fund Balance</i>	320	259	579	1,805	2,384
Total Estimated Balance					
Beginning Balance	11,318	7,189	18,507	28,045	46,552
Ending Balance	11,638	7,448	19,086	29,850	48,936

Thus, the Fiscal Year 2018-19 budget is a balanced budget, with a modest projected increase of \$320,000 in General fund balance, and full funding of the emergency reserve fund (\$250,000.) The General Fund reserves will be discussed further in conjunction with creating restrictive reserve policies and to allocate current “built” reserves to assist in covering infrastructure costs, to pay down CalPERS liabilities, and to further address current, short-term Council priorities, or to potentially maintain our workforce in the case of a recessionary economic cycle.

The City reserves and fund balance serve as a protective shield to cover from a potential economic downturn, respond to potential natural disasters, and unforeseen maintenance or construction costs from our Capital Improvement Program. They also help us take advantage of grant opportunities as they may come up, and require a funding match, and they are increasingly critical to meet the large variable cash flow needs of the organization which have increased substantially given the capital intensive public works projects in the pipeline.

CONCLUSION:


The City is in a stable financial condition, and has been able to successfully complete or advanced multiple projects and initiatives thanks to the City Council's willingness and support to raise the revenues necessary to maintain and modestly expand the level of City services, augment our staffing, and substantially improve employees' salaries and benefits.

In addition, there are a number of infrastructure and development projects in the pipeline that will greatly improve the quality of life of our residents and narrow the City's jobs-housing imbalance (0.2 jobs for employed resident), getting it closer to a more sustainable ratio, of one job per one employed resident. Completing Phases IV and V of Cooley Landing, permitting Gloria Way Well to have it under operation, installing trash capture devices, continuing implementing our award winning (MTC's Most improved Roads 2016) road improvement program, building the highway 101 pedestrian overpass from Newell Rd. to East Bayshore Rd., will expand the amenities of open space for East Palo Alto families, will provide water security in case of an emergency, enable us to meet our regulatory environmental obligations (NPDES), it will bring great benefits and continue improving the quality of life of our residents.

Despite much accomplished, it is not enough, and the City needs to continue making progress to close the astronomical gap in deferred infrastructure and services created before the City's incorporation. To do that work effectively and efficiently, the City is in an improved position to avoid falling back to previous periods of boom and bust in employment and activities following fluctuating economic and employment conditions; instead it needs to strive to maintain a stable workforce that can sustain and deliver at a steady pace an agenda that is consistent with the available resources. This will require patience, long range planning, fiscal discipline, a high level of staff dedication and effort, and continued internal and external communication to ensure the Council is well informed of the community's needs and the organization's capacity.

I thank City staff for all the exceptional work completed over the last biennial budget. The amount, and quality of work has been exceptional, and the milestones reached, many. To the City Council my gratitude for providing steady guidance, keeping the pulse of the community's needs and always judiciously assessing what is best for the community, while confronting great challenges and making very difficult decisions on controversial issues of great importance for the future of the City.

Respectfully submitted,



Carlos Martínez, City Manager

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The East Palo Alto Budget Process

During the budget process, the East Palo Alto City Council must decide how to allocate resources. Resource allocation decisions include choices of staff levels, program services, what investments are made in equipment and capital improvements, and which strategic priorities will consume top management's time.

These allocation decisions are made when the City Council discusses and establishes goals and objectives for the upcoming year; and, when the budget is developed. The City's allocation decisions are made based on multi-year policies and plans. To make both long and short-range allocation decisions, the City follows the budget model described below.

Budget Model

The model follows three basic principles which provide continuity in decision making:

1. Assess current conditions, problems, needs, strengths and weaknesses to best prepare plans to meet those demands.
2. Develop goals and objectives, policies, and plans to determine the work program over an annual period.
3. Implement those plans and policies and prepare to evaluate the effectiveness of implemented plans.

Long-Range Planning Process

The City employs a **multi-year financial plan** as the framework for developing the annual adopted budget. The anticipated outcome of the financial planning concept is to maintain stable service levels by accumulating cash reserves during growth periods and using those reserves when revenues decline in recessionary periods.

The budget model described above is utilized in the long-range planning process, as described below:

Assess Conditions

- Evaluate past and current plans and goals. When formulating the Financial Plan, staff considers the City Council's Strategic Plan and subsequently periodically evaluates financial and service results for resiliency, progress, and service effectiveness.
- Assess future needs of the community. The local community environment is examined in the context of external economic, social, and political changes

expected in order to determine strategic plans to meet the long-term needs and will of the community.

- Examine the health of the economy. While implementing and formulating financial plans, economic indicators, such as employment and interest rates, are researched and considered. Revenue and expenditure trends and financial forecasts are analyzed to evaluate the potential effect of economic trends on local revenues and expenditures.
- Project future revenues and expenditures. Using the information gathered throughout the process, assumptions will be formulated and changed to make the best projections of future revenues and expenditures.

Develop Policies

- Formulate City Council Goals and Objectives. The Council develops goals and/or reviews goals in January of each year and staff articulates objectives that align with those goals to the extent that resources are available to achieve such objectives. Staff will identify those that can be accomplished within a 24 month period and propose a spending plan to achieve those goals that are attainable.
- Prepare a multi-year Financial Plan. While the plan is prepared one to two years prior to the year in which it takes effect the plan is altered as needed, as conditions and assessments change.

Implement Program

- Through the Council, develop City Manager's Initiatives. The multi-year strategies and financial plans are implemented through these Initiatives. The Manager, with the Council's approval, sets 6 to 10 organizational goals for directed attention to help ensure Goals and Objectives are met, and to address unexpected issues.

Short-Range Planning

The City Manager's Initiatives, service group and departmental objectives, and annual budget are developed from the multi-year City Council Policy Goals and Objectives and the Financial Plan. These instruments guide allocation decisions in any given

year. The budget model is also used in these decision-making processes, as described below:

Assess Conditions

- Evaluate performance toward meeting goals of current and past years. To address problems and new concerns, staff monitors progress quarterly and periodically makes amendments to Target Issues and group and departmental objectives (Ongoing).
- Perform productivity and staffing analyses. Management conducts internal analyses of City operations to determine service delivery improvements, cost saving opportunities, administrative changes, service needs, and staffing levels (Ongoing).
- Develop a capital investment inventory. Staff periodically reviews the condition of existing infrastructure and recommends projects for future funding (Ongoing).

Develop Annual Work Plans

- Using the Council Strategic Plan as the basis for goals and objectives, as well as to address current issues, the City Manager identifies special activities for the organization to focus on during each year and compares those activities to those planned during the annual budget process (January – February).
- Develop annual group and departmental objectives. Objectives are established between the City Manager's Office and department staff to determine work plans for the ensuing annual period (February).
- Develop annual departmental budgets. After objectives are established, budgets are developed cooperatively between departments and the City Manager's Office (March).
- Identify Capital Improvement Project funding. The Community Development Department and the City Manager's Office evaluates capital projects and determines projects recommended for funding for the ensuing fiscal year (Ongoing).

Implement Program

- Deliver services and implement capital projects established in plan approved by the Council (Ongoing).
- Maintain records for service evaluation (Currently abated formal measurement reporting).

How to Use the Budget Document

The East Palo Alto Budget Document is a spending plan for the financial, human, and capital resources available to the City. Through these resources, services are provided to meet the needs of the East Palo Alto residents. The City Council and City Staff address the community's needs and desires through the planning process which, in turn, culminates in the budget document as a biennial fiscal spending plan. The budget document balances not only revenues and expenditures, but also community priorities and interests. The Budget Document is divided into ten major sections:

- City Manager's Message
- The East Palo Alto Budget Process
- How to Use the Budget Document
- City Council Strategic Plan
- Financial Plan and Policies
- Financial Summary Information
- Organizational Summary Information
- Departmental Budgets
- Miscellaneous
- Glossary

The City Manager's Message

The City Manager's Message provides a "big picture" summary for the upcoming biennial period. It sets the context for budget decisions by describing community and economic conditions affecting the budget. It addresses major initiatives underway and challenges facing the City.

The East Palo Alto Budget Process

The annual budget process follows a model that is threefold: Assess Conditions, Develop Plans and Policies, and Implement Programs. It includes both long-range and short-range planning processes.

How to Use the Budget Document

Below is a brief summary of the sections within the document, describing how each section may be used effectively to understand the make-up of the document.

The City Council's Strategic Plan

The City Council's Strategic Plan sets the goals and objectives for the organization. It allows the City Manager to develop a list of Initiatives that establishes the organizational work plan for the ensuing year.

Financial Plan and Policies

The Financial Plan section summarizes the overall financial condition of the City. The following information is included in the Financial Plan:

- Description of Financial Planning process, overview of the General Fund Budget, and primary budget Plan parameters. Beginning FY 2018-19, the long-term strategic plan will be issued as a separate planning document prior to Council Strategic Planning Sessions.
- A description of financial policies and strategies used to manage the City's finances.

In addition, this section contains current policies adopted by City Council which establishes the foundation and principles for the budgeted spending plan.

Organizational Summary Information

This section of the document contains useful reference information about the City and the organization, including an organizational chart, ten-year summary of the City's employee authorized strength, "East Palo Alto at a Glance", and East Palo Alto demographic statistics.

Financial Summary Information

This section contains the following financial summary information:

- FY 2018-19 Citywide Budget by Fund Category
- FY 2018-19 General Fund and Reserves Budget
- FY 2018-19 Special Revenue Funds Budget
- FY 2018-19 Enterprise Funds Budget
- FY 2018-19 Agency and Pension Trust Budget
- General Fund Revenues by Major Category
- General Fund Expenditures by Major Category

Departmental Budgets

This section contains the operating budget for all departments and divisions. The following Departments are presented: City Council, City Attorney, City Clerk, City Manager, Administrative Services, Finance, Community and Economic Development, Public Works, Police, Non-Departmental and Capital Improvement Funding. The Departmental Budget section presents financial figures by major revenue and expenditures categories. Definitions of the four major expenditure categories can be found in the Glossary. Local government budgets are organized by fund in order to segregate and account for restricted resources. Each fund is a separate accounting entity. The General Fund provides the majority of resources for most of the

services that the City provides, including public safety, maintenance, and general government functions needed to support direct services to the community. This section also places the budget in context with the General Fund financial forecast and provides a historical view of revenue and expenditures, General Fund sources and uses. Finally, this section includes the historical and current staffing for each department/division along with a department organizational chart.

Miscellaneous

This section contains the calculated Appropriation Limit for FY 2018-19 and detail capital project funding approved. (Approved as a separate document, and included in Adopted Budget only).

Glossary

This section provides definitions generally used in local, county and state governments.

**CITY COUNCIL STRATEGIC
PRIORITIES AND GOALS
FY 2018-19 Budget**

PRIORITY #1 - ENHANCE PUBLIC SAFETY AND EMERGENCY PREPAREDNESS

GOAL 1A: Implement a long-term crime and violence reduction strategy

GOAL 1B: Implement Anti-Graffiti program

GOAL 1C: Conduct education and outreach on fire safety and emergency preparation and develop Community Emergency Response Team (CERT) training program

PRIORITY #2 - ENHANCE ECONOMIC VITALITY

GOAL 2A: Provide assistance to small businesses (permitting, licensing and support)

GOAL 2B: General Fund monies are set aside for Capital Improvements

GOAL 2C: Develop and implement appropriate development impact fees

PRIORITY #3 - INCREASE ORGANIZATIONAL EFFECTIVENESS AND EFFICIENCY

GOAL 3A: Address structural deficit and establish steps to resolve it

GOAL 3B: Develop a staff workforce professional growth plan

GOAL 3C: Identify systems investment opportunities to improve organizational effectiveness and efficiency

PRIORITY #4 - IMPROVE PUBLIC FACILITIES AND INFRASTRUCTURE

GOAL 4A: Implement Safe Routes to School (SR2S/SRTS) Improvement Program

GOAL 4B: Complete Bay Road and related infrastructure

GOAL 4C: Enhance pedestrian/bicycle interconnectivity

GOAL 4D: Consolidation of City facilities

GOAL 4E: Provide adequate domestic water to customers in the City of East Palo Alto water system

GOAL 4F: Maintain and upgrade City's water system

GOAL 4G: Enhance flood protection for residents, businesses and property owners

GOAL 4H: Develop a comprehensive transportation & mobility plan

***PRIORITY #5 - IMPROVE COMMUNICATION AND ENHANCE COMMUNITY
ENGAGEMENT***

GOAL 5A: Establish and implement a website maintenance and management plan

GOAL 5B: Foster community cultural events and activities in public spaces such as parks

GOAL 5C: Develop a communication plan, including topics, schedules, media and branding/messaging

PRIORITY #6 - CREATE A HEALTHY AND SAFE COMMUNITY

GOAL 6A: Improve pedestrian and bicycle access and safety at all school zones

GOAL 6B: Fully implement the Rent Stabilization Program

GOAL 6C: Develop a comprehensive Healthy Communities Plan as a part of the General Plan Update

GOAL 6D: Develop a strategy to keep East Palo Alto Youth on educational track

GOAL 6E: Develop a Parks Master Plan incorporating current projects

GOAL 6F: Preserve and expand Affordable Housing in East Palo Alto

2018 CITY COUNCIL STRATEGIC PRIORITIES GOALS - APPROVED 3/6/18

PRIORITY AREA #1: ENHANCE PUBLIC SAFETY AND EMERGENCY PREPAREDNESS

NO.	OUTCOME	FY 17-18 Second Half (Jan-June)	FY 18-19 First Half (Jul-Dec)	LEAD/SUPPORT DEPARTMENT	COMMENTS
1A	GOAL STATEMENT: IMPLEMENT A LONG-TERM CRIME AND VIOLENCE REDUCTION STRATEGY				
	Develop a Citywide Crime and Violence Reduction Plan that involves all stakeholders		Police Department (PD)	This goal requires tracking to ensure continued update, improvements and results.	Implemented and ongoing. The department is using Town Hall and Beat meetings, attendance at community events throughout the city, the FIT Zones and CLEAN Zone program to abate litter and graffiti, establishing a liaison with the school district, and connecting the department with community and faith based groups. In addition, EPA PD is now sharing crime data and working in partnership with surrounding law enforcement agencies to solve cases. The department continues to be involved with community based organizations such as OneEPA and the Crime reduction task force. Continue exploring possibility of adding one more shift with POA & Finance.
1	Maintain long-term Community Policing plan that addresses: Prevention, Intervention, Enforcement & Sustainability. Work with Police Activity League (PAL) to develop programs and youth outreach.	Ongoing	Implemented	Implement new long-term strategies and review ideas from Community members and Police Staff.	
1B	GOAL STATEMENT: IMPLEMENT ANTI-GRAFFITI PROGRAM				
	Reduce graffiti in the City		PD & Department of Public Works (DPW)		
1	Implement a graffiti prevention program, i.e., graffiti wall, other.	Ongoing	Implemented	Clean Zone (CZ) program continue to provide support to PW in City areas where graffiti was reported.	Established the CLEAN Zone program to support Public works effort to remove graffiti.
2	Explore civil sanctions against chronic violators/locations	In Process	Not Implemented		PD will work with Public Works and City Attorney's office to research issue and develop prosecuting process and sanction options. Goal postponed to 2019
1C	GOAL STATEMENT: CONDUCT EDUCATION AND OUTREACH ON FIRE SAFETY AND EMERGENCY PREPARATION AND DEVELOP COMMUNITY EMERGENCY RESPONSE TEAM (CERT) TRAINING PROGRAM				
1	Maintain high level of Emergency Response readiness	Ongoing	Implemented	Admin. Serv. Dpt. & PD coordinating Emergency Response training	Will continue coordinating with Menlo Fire to provide training and follow-up with CERT members to organize quarterly meetings and exercises.

PRIORITY AREA #2: ENHANCE ECONOMIC VITALITY					
NO.	OUTCOME	FY 17-18 Second Half (Jan-June)	FY 18-19 First Half (Jul-Dec)	LEAD/ SUPPORT DEPARTMENT	COMMENTS
2A	GOAL STATEMENT: PROVIDE ASSISTANCE TO SMALL BUSINESSES (PERMITTING, LICENSING, AND SUPPORT)				
	Prepare small business assistance plan			C&EDD	
1	Prepare and implement small business assistance plan.	Pending	Not Completed	Council to consider small business support program in 2018	Council to consider additional \$100K grant to continue Renaissance Small Business Marketplace program Staff will update First Source Hiring Ordinance in 2018
2B	GOAL STATEMENT: GENERAL FUND MONIES ARE SET ASIDE FOR CAPITAL IMPROVEMENTS				
	Develop a Process to systematically allocate capital improvement funding.			Finance and C&EDD	This goal requires tracking to ensure continued update, improvements, and results.
1	Adopt Capital Improvement Plan Budget	Completed	Completed	On-going	Capital Improvement Plan Budget will be updated in FY 2016-18 budget processes.
2	Ensure proper monitoring and controls in place and formally present project carry forward balances each year.	Initiated	Completed	On-going	Finance initiated major 4 year look back to implement forward balances from FY2014-15. Finance completed "look-back" project. All Council-approved appropriation adjustments are recorded in G/L system. Capital budget was appropriated in Adopted Budget in FY 15-16. Capital roll forwards was presented in February 2016.
2C	GOAL STATEMENT: DEVELOP AND IMPLEMENT APPROPRIATE DEVELOPMENT IMPACT FEES				
	City Council to adopt development impact fees and inclusionary impact fees			Lead: C&EDD Support: City Attorney (CA), City Manager (CM) Offices, and Finance	This goal requires tracking to ensure continued update, improvements, and results.
1	Adopt Development Impact Fee (DIF) program and Consider placing a payroll tax as "value capture" benefit in the 2018 November ballot.	Pending	Ongoing	City Manager's Office, Support: Finance, City Attorney's Office	Awarded DIF contract to consultant, AECOM in December 2015. DIF planned for adoption in 2018. Staff will provide "value capture"/payroll tax and other options for Council consideration Q2-2018, and will bring other community benefits "value capture" options as part of projects entitlement process.

PRIORITY AREA #3: INCREASE ORGANIZATIONAL EFFECTIVENESS AND EFFICIENCY

NO.	OUTCOME	FY 17-18 Second Half (Jan-June)	FY 18-19 First Half (Jul-Dec)	LEAD/ SUPPORT DEPARTMENT	COMMENTS
3A	GOAL STATEMENT: ADDRESS STRUCTURAL DEFICIT AND ESTABLISH STEPS TO RESOLVE IT				
1	Provide a long term financial plan and an annual balanced budget			Lead: CM & Finance, Support: All Departments	
2	Provide revenue options for City Council consideration	In Progress	Completed		Staff will provide recommendations for Council consideration.
2	Provide 5 year and 10 year financial projections	In Progress	Five Year Completed	10 Yr. projections postponed to 2019	Staff will provide 5 year projections for FY18-20
3B	GOAL STATEMENT: DEVELOP A STAFF WORKFORCE PROFESSIONAL GROWTH PLAN				
	Operate an effective and efficient organization			Lead: CM's Office Support: All Depts.	This goal requires tracking to ensure continued update, improvements, and results.
1	Promote and provide customer service training to staff	In Progress	Completed		Ongoing. HR Manager is developing a training program and Customer Service standards for all City Employees.
3C	GOAL STATEMENT: I.D. SYSTEMS INVESTMENT OPPORTUNITIES TO IMPROVE ORGANIZATIONAL EFFECTIVENESS AND EFFICIENCY				
	Present options for replacing and acquiring Human Resources Information System (HRIS) and Records Management systems			Lead: CM's Office, Support: Finance, City Clerk, & ASD	Goal postponed to 2019. Assessment has been on hold due to staffing resources and competing priorities, but an Implementation Readiness Assessment is planned for FY18-19.
1	Assess financial system needs, including data, budgeting, and reporting requirements	In Progress	On hold for other priorities	Assigned to Administrative Services	Potential implementation to occur in second half of FY18-19, or FY19-20.
2	Assess human resources needs and integration with financial software	In Progress	Assessment Study to start in FY18-19	Administrative Services (AS)	HR and finance system should be integrated. AS will conduct an assessment study to find alternative HR, IS, and payroll systems other cities use. Integration benefits may be substantial due to lower costs, and increased productivity. But, system migration will require substantial staffing time and resources.
3	Identify systems options and cost estimates	Pending	Assessment FY18-19.	Administrative Services	FY 2018-19 Implementation Readiness Assessment.
4	Report findings to the Finance and Budget Committee and the City Council and identify funding and approval to make the systems investments	Pending	Report after results of Assessment Study	City Manager	Finding to be reported to Budget and Finance Committee after results of Readiness Assessment is completed.

PRIORITY AREA #4: IMPROVE PUBLIC FACILITIES AND INFRASTRUCTURE					
NO.	OUTCOME	FY 17-18 Second Half (Jan-June)	FY 18-19 First Half (Jul-Dec)	LEAD/SUPPORT DEPARTMENT	COMMENTS
4A	GOAL STATEMENT: IMPLEMENT SAFE ROUTES TO SCHOOL (SR2S/SRTS) IMPROVEMENT PROGRAM				
	Make school zones safer through the accommodation of multi-modal access			Lead: C&EDD / DPW. Support: CA's Office and Finance	This goal will require additional funding resources. This goal will be added to the CIP Plan.
1	Complete SRTS projects (complete construction)	In Progress	Completed	C&EDD & DPW	Staff will design pavement projects, including Addison St. in 2018. Construction will be starting in 2018 or early 2019.
2	Prepare grant applications for future ATP cycles based upon "Existing Conditions" report	In Progress	Completed		Staff continues to monitor upcoming grants for funding of public infrastructure projects.
4B	GOAL STATEMENT: COMPLETE BAY ROAD AND RELATED INFRASTRUCTURE				
	Complete Bay Road and related Infrastructure			Lead: C&EDD & DPW. Support: CA's Office and Finance	This goal will require additional funding resources. This goal will be added to the CIP Plan.
1	Complete design of road, utilities and related infrastructure and environmental review (CEQA/NEPA)	In Progress	In Progress	C&EDD & DPW	Construction of underground utilities started in December 2016, and completed in 2017.
2	Advertise, solicit bid, review and award bid(s) for construction of Bay Road	Pending	Pending Design Completion		Upon completion of roadway Design, anticipated in 2018, the project will go out to bid for contract award in 2018.
3	Complete Runnymede Phase 2 drainage basin and extend culverts from Bay Road	In Progress	In Progress		Construction work on the improvements started September 1, 2014. EPASD contractor working to resolve utility conflicts. Anticipated completion February 2017 resolved utility conflicts and will complete improvements Q2 2018.

NO.	OUTCOME	FY 17-18 Second Half (Jan-June)	FY 18-19 First Half (Jul-Dec)	LEAD/ SUPPORT DEPARTMENT	COMMENTS
4C GOAL STATEMENT: ENHANCE PEDESTRIAN/BICYCLE INTERCONNECTIVITY					
Complete: 1) University Avenue Interchange and 2) design of Hwy. 101 Pedestrian & Bike Overcrossing (POC) at Newell Road & Clarke					
1	Complete design modifications of University Avenue Interchange and complete updated traffic analysis	In Progress	In Progress	Lead: C&EDD & DPW. Support: CA's Office and Finance	Design modifications reviewed and considered unfeasible. New Design and Environmental work underway. Caltrans approved the preliminary bridge design in October 2016, which is a major milestone. Estimated design completion in 2018.
2	Advertise, solicit bids, review and award bid(s) for construction of University Avenue Interchange	Pending Design	Pending - Project on hold until funding identified	Staff plans to finalize design in 2018 and devote more resources as the existing Highway 101 overpass is completed.	The City was approved for \$5 million from San Mateo County Transportation Authority (TA) toward the construction of the overcrossing. Since the original design has been changed, the TA indicated that the project purpose and need might not qualify under Measure A funding priorities. The project is on hold until a source of funding is identified. The City still had about \$1.5 million of earmark federal funding for the project.
3	Submit grant applications seeking funding for design and construction of Highway 101 POC	In Progress	Complete but Ongoing		Staff was successful in obtaining ATP grant for \$8.6 million towards construction. Additional funding is needed.
4D GOAL STATEMENT: CONSOLIDATION OF CITY FACILITIES					
Explore options for consolidating City facilities					
1	Re-examine current City Hall facility to better utilize space to accommodate staff	Completed	Ongoing	City Manager's Office	This goal will require additional funding resources. Completed: more intensive use of current space is not anticipated. Ongoing lease negotiations with the County may facilitate potential tenant and space arrangement improvements.
2	Develop a Public Facilities Plan	In Progress	Ongoing		The renewal of City Hall lease is underway. Working on stabilizing leases for all City facilities. Will contract with Engineer/Architect to develop a Facilities Plan by Fall 2018.

NO.	OUTCOME	FY 17-18 Second Half (Jan-June)	FY 18-19 First Half (Jul-Dec)	LEAD/SUPPORT DEPARTMENT	COMMENTS
4E	GOAL STATEMENT: PROVIDE ADEQUATE DOMESTIC WATER TO CUSTOMERS IN THE CITY OF EAST PALO ALTO WATER SYSTEM				
	Develop additional domestic water supplies to address current and future needs			C&EDD & DPW	This goal will require additional funding resources.
1	Implement City water supply blueprint	In Progress	In Progress		Pursue a 0.5 mgd water supply transfer with Palo Alto. Recommend uses of adopted Water Capital Surcharge.
2	Complete construction of Gloria Way Well including treatment facility	In Progress	In Progress		\$700K CDBG grant submitted to the San Mateo County Board of Supervisors and Prop 84 IRWM Grant of \$1.5m were awarded in 2015 for both Gloria Way Well and Pad D. Construction to start in Spring 2017.
3	Complete ground water management and monitoring plans & explore additional municipal wells (Pad D)	In Progress	In Progress		City completed Groundwater Management Plan in November 2015 and first year of groundwater monitoring in 2016. City awarded contract to EKI for design and environmental of Pad D, estimated completion Fall 2017
4F	GOAL STATEMENT: MAINTAIN AND UPGRADE CITY'S WATER SYSTEM				
	Replace and enhance water conveyance facilities to provide consistent delivery of water to customers, meet fire flow requirements and address emergency storage needs			C&EDD & DPW Support: CA & CM's Offices	This goal will require additional funding resources.
1	Adopt City water conveyance and storage strategy	In Progress	In Progress		Pipe replacement strategy already identified in Water System Master Plan. Staff will submit grant applications, as they may become available, to fund pipe replacement and create storage capacity.
2	Negotiate agreement and complete construction of intertie with the City of Palo Alto	Pending	In Progress	Priority will be given to transferring 0.5 mgd to EPA from Palo Alto	Palo Alto has conceptually agreed to re establishing the intertie at staff level. Pending staffing resources, agreement negotiations, and design completion, staff will complete design of improvements. Staff will develop a Water Connection Fee and Water Offset Policy by July 2018.

NO.	OUTCOME	FY 17-18 Second Half (Jan-June)	FY 18-19 First Half (Jul-Dec)	LEAD/SUPPORT DEPARTMENT	COMMENTS
4G GOAL STATEMENT: ENHANCE FLOOD PROTECTION FOR RESIDENTS, BUSINESSES AND PROPERTY OWNERS					
Provide 100-year flood protection from San Francisco Creek (SFCJPA) and San Francisco Bay					
1	Monitor SFCJPA Phase I project for the San Francisco Creek (SFC)	In Progress	In Progress	C&EDD & DPW	This goal will require additional funding resources.
2	Negotiate agreement with Santa Clara Valley Water District (SCVWD) for maintenance of SFC enhanced levee and creek banks from Hwy 101 to border with Menlo Park	In Progress	In Progress		Entered into a Multi-agency Coordination Agreement for Emergency Response. Staff will continue exploring options for cost sharing and/or subcontracting levee and creek maintenance obligations. City added 600' of shotcrete covered sandbags north of Verbena and 400 feet of flood fence at Woodland and University. Purchased 1,200+ sandbags and deployed at existing low spots along the creek and several key staging area.
3	Work with Palo Alto on design of Newell Road Bridge	In Progress	In Progress		Palo Alto is preparing Environmental Impact Report. City staff submitted a letter of comment during the NOP process.
4	Work with SFCJPA on design of Phase II SFC improvements	In Progress	In Progress		Ongoing; project has slowed from original schedule; current emphasis has been focused in completing Phase I
5	Work with SFCJPA on Phase I (Planning study) of tidal levee project	In Progress	In Progress		The Planning and Housing Manager is participating in the San Mateo Sea Level Rise Policy Team, as a member, and coordinate expert assistance from NOAA which has improved interoperability of Palo Alto's existing systems with NOAAs.
4H GOAL STATEMENT: DEVELOP A COMPREHENSIVE TRANSPORTATION & MOBILITY PLAN					
Develop a Comprehensive City wide traffic mitigation and street parking strategy.					
1	Adopt Transportation Demand Management and adequate street parking strategies	N.A.	Pending	Lead: C&EDD & DPW. Support: CA's Office and Finance Staff will seek consultant proposals to initiate the Mobility Study.	This goal will require additional resources, via a consultant contract, supporting General Plan Goals T-6 & T-8 Develop TDM standards for new development, and public parking strategies to mitigate traffic congestion, and facilitate emergency access and bike and pedestrian circulation. Contract for Council consideration in Spring 2018. A Mobility Plan by 1/1/19.

PRIORITY AREA #5: IMPROVE COMMUNICATION AND ENHANCE COMMUNITY ENGAGEMENT					
NO.	OUTCOME	FY 17-18 Second Half (Jan-June)	FY 18-19 First Half (Jul-Dec)	LEAD/ SUPPORT DEPARTMENT	COMMENTS
5A	GOAL STATEMENT: ESTABLISH AND IMPLEMENT A WEBSITE MAINTENANCE AND MANAGEMENT PLAN				
	Provide a user friendly website for easy navigation to retrieve City information and/or services and maintain updated content			City Manager's Office	
1	Establish and implement a website management plan	Pending	Not completed		It will require prioritization and additional IT staffing resources
2	Identify appropriate staff and resources to maintain and update website content	Pending	Not completed		It will require prioritization and additional IT staffing resources
5B	GOAL STATEMENT: FOSTER COMMUNITY CULTURAL EVENTS AND ACTIVITIES IN PUBLIC SPACES SUCH AS PARKS				
	Conduct community events to further engage the community in public spaces			Lead: ASD & CM's Office. Support: All departments	This goal may require additional staffing and financial resources depending on extent of celebration desired.
1	Plan Open Space Events and Activities.	Pending			Partially Done
5C	GOAL STATEMENT: DEVELOP A COMMUNICATION PLAN, INCLUDING TOPICS, SCHEDULES, MEDIA AND BRANDING/MESSAGING				
	Develop a Communications Plan to provide options on how information is delivered to the community.			Lead: CM's Office & ASD. Support: All departments	Goal postponed to 2019
1	Present communication plan & Community Calendar to CC	Pending	Not completed		Additional staff (Public Information Officer) needed
2	Implement approved communication plan	Pending	Not completed		Implementation upon Council approval
3	Incorporate Community Opinion Survey into communication plan	Pending	Not completed		Implementation upon Council approval

PRIORITY AREA #6: CREATE A HEALTHY AND SAFE COMMUNITY					
NO.	OUTCOME	FY 17-18 Second Half (Jan-June)	FY 18-19 First Half (Jul-Dec)	LEAD/ SUPPORT DEPARTMENT	COMMENTS
6A	GOAL STATEMENT: IMPROVE PEDESTRIAN AND BICYCLE ACCESS AND SAFETY AT ALL SCHOOL ZONES				
	Make school zones safer through a collaborative study, implementation and enforcement program			Lead: C&EDD & DPW. Support: PD	This goal will require additional funding resources
1	Complete an "Existing Conditions" Report	In Process	In Process	C&EDD & DPW	Accessibility Study & Citywide Transition Plan adopted as part of the CIP; report to be prepared when resources available
2	Identify projects for inclusion in TAP program	Ongoing	Ongoing	Explore improvements on Garden St. near Aspire School. Design 2018, Construction 2018 or 2019.	Ongoing. Awaiting additional state and federal government issuance of Notice of Funding Availability
3	Collaborate with Police Department and Ravenswood City School District (RCSD) on enforcement of various operational safety measures (e.g. no parking, crosswalks, stop signs and traffic enforcement)	Ongoing	Ongoing		Implementation of the Bicycle Transportation Plan's SRTS/TAP component regarding safe, secure and available bicycle racks is complete with new 65 bicycle racks serving school children deployed during the 2015/2016 holiday season.
6B	GOAL STATEMENT: FULLY IMPLEMENT THE RENT STABILIZATION PROGRAM				
1	Continue Administration of new Ordinance - Conduct community outreach to educate both landlords and tenants of their rights under the new ordinance	Done/ Ongoing	Done/ Ongoing	Lead: Rent Stabilization Program	The Program has greatly improved its website to make it more accessible to landlords and tenants; has created electronically fillable forms easily accessed at the Program's website; is making efforts to enlarge its email list; provides landlords already in the email list with copies of the Rent Stabilization Board meeting agendas; has done an additional mass mailing to tenants with information of new regulations and workshops; has had landlord attorneys, tenant attorneys; tenant advocates; county agencies doing presentations for landlords and tenants and the public at large on issues related to rent control. The Program has also done two regular mass mailings to tenants; one with registration information provided by landlords in February and the other one with information on the annual general adjustment in May. The Program continues to have an open door policy and answers inquiries from landlords, tenants, and the public at large who contact the Program in person, by phone and/or by email on a daily basis.

GOAL STATEMENT: DEVELOP A COMPREHENSIVE HEALTHY COMMUNITIES PLAN AS A PART OF THE GENERAL PLAN UPDATE						
6C	GOAL STATEMENT: DEVELOP A STRATEGY TO KEEP EAST PALO ALTO YOUTH ON EDUCATIONAL TRACK				Lead: C&EDD. Support: CA's Office	
	Improve the health and safety of residents of East Palo Alto					
1	Initiate and engage community through outreach program	Ongoing	Ongoing	Ongoing		Outreach program developed in 2013, and is currently being implemented with General Plan Update
2	Engage public health agencies and other interest groups	Ongoing	Ongoing	Ongoing		Public Health Agencies and other interest groups were involved in the General Plan Update
3	Evaluate open space, parks and recreational opportunities as part of Westside Area Plan	Ongoing	Ongoing	Ongoing	C&EDD Postponed to 2019	A Park Master Plan should be completed by January 1, 2020.
6D	GOAL STATEMENT: DEVELOP A STRATEGY TO KEEP EAST PALO ALTO YOUTH ON EDUCATIONAL TRACK					
	Through My Brother's Keeper' initiative, develop plan to keep youth on educational track.				Administrative Services Department	
1	Convene Local Action Summit, and formulate recommendations for action	Ongoing	Ongoing	Ongoing	Ongoing Work	Continue working with consultant to prepare and launch a plan of action, next steps for implementation and initiative progress review.
6E	GOAL STATEMENT: DEVELOP A PARKS MASTER PLAN INCORPORATING CURRENT PROJECTS - Goal postponed to 2019					
	Expand and enhance park facilities for EPA residents.				C&EDD	This goal will require additional funding and staffing resources.
1	Identify funding source for plan	Pending	Pending	Pending		Not initiated due to staffing vacancies and competing priorities.
2	Prepare Request for Proposals (RFP) and award contract	Pending	Pending	Pending		Not initiated due to staffing vacancies and competing priorities.
3	Develop Master Plan	Pending	Pending	Pending		Developing a Park Master Plan was postponed to 2019.
4	Develop implementation plan & impact fee options once MP done	Pending	Pending	Pending		Will be undertaken after completion of Master Plan, and after Plan is funded.
5	Pursue expansion of MLK Park by exchange/acquisition of County land.	Pending	Pending	Ongoing		Informal discussions had between County and City to exchange/acquire County land on Beech St.
6	Complete design for Phases 2-5 of Cooley Landing Park	Ongoing	Ongoing	Partially completed		Design of Phases IV and V for Council approval Q1 2018, construction by end of 2018.
6F	GOAL STATEMENT: PRESERVE AND EXPAND AFFORDABLE HOUSING IN EAST PALO ALTO					
	Develop Comprehensive Affordable Housing Strategy (CAHS)				C&EDD	
1	Review existing affordable housing stock and present to Council a strategy to preserve and expand affordable housing options that meet the needs of East Palo Alto residents.	Pending	Pending	Pending		<ul style="list-style-type: none"> A CAHS should be completed by July 1, 2018. Developing a RFP—four months after receiving Council direction regarding the Strategy—to develop 965 Weeks St. Consider funding a Homeless Drop-in Center within CAHS Developing a Safe Parking Program for RV's Completing the work of the 2nd Unit Taskforce

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City of East Palo Alto

2018 Departmental Work Plans



**CITY OF EAST PALO ALTO
CITY COUNCIL PRIORITIES
DEPARTMENTAL WORK PLANS 2018**

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A SAMPLE OF 2017 ORGANIZATION'S ACCOMPLISHMENTS

1) Public Safety & Emergency Preparedness

- a. More than one year without a murder
 - Community Trust in EPAPD
- b. Community Services Aid Program
 - Two CSA's → Two EPAPD Officers
- c. Clean Zone and Fit Zone programs
- d. Measure C Grants
- e. Cooling Shelter at City Hall during September heat wave
- f. Multiple Mobilizations to monitor, prevent and mitigate creek flooding
- g. SF Creek JPA Reach I project
 - 100 year storm flow & 10 year tide & 26"/50 years of future Sea Level Rise

2) Strategic Planning, Stability & Inclusiveness

- a. Opposing raids by Immigration and Customs Enforcement (ICE)
- b. Balanced Budget + City Debt Management Policy
- c. Immigration Workshop
- d. All Welcome to EPA regardless of immigration status material distributed.

3) Organizational Improvements

- a. Labor Union Agreements: SEIU, EPA POA, EPA MEA
- b. Working Scholars

4) Land Use Planning/Housing/Economic Development

- a. Amazon signs a 10 year lease in EPA- Amazon Jobs Information Fairs
- b. EPA Employment Center
 - Target Store Grand Opening - 50% FSH
- c. \$100,000 Renaissance Small Business Grant
 - East Palo Alto Marketplace
- d. Vista 2035 General Plan - Development Code
- e. Updated Bicycle Transportation Plan
- f. Adopted Clean City Plan
- g. Five 2nd Unit Taskforce meetings and two informational meetings
- h. MidPen/EPACANDO Senior Housing Project
 - 41 units of housing – 20 EPA Seniors - \$700K EPA funding
- i. LISC \$10M Catalyst Fund agreement
- j. Executed a 1.5 mgd Water Transfer with Mountain View for \$5 Million
- k. Discussions with Palo Alto of a Water Transfer of 0.5 mgd

5) Roadway and Pedestrian Improvements / Capital Projects

- a. Sustainable Transportation Grant application to Caltrans
 - Comprehensive Mobility Study
 - Promotion of June 2018 Gran Fondo bike race
- b. 101 East Bayshore-Newell Rd. Pedestrian Overcrossing
- c. Most Improved Pavement Condition Index (PCI)
- d. Safe Routes to Schools Project
 - Bay Road, from University to Ralmar
- e. Joel Davis Park and Jack Farrell Park Improvements
- f. Cooley Landing Phase III Design completed
- g. Runnymede Storm Drain Phase II Project completed
- h. Bay Road – Completed undergrounding of utilities

6) Development Projects Advanced and Under Review

- i. Donohoe & University Avenue, 200,000 sq. ft. Class A Office
 - Construction Completion
- j. Goldman Foundation Youth Art & Music Project – Processing Application and reviewing CEQA Draft Negative Declaration
 - 30,000 sq. ft. Art Center
- k. The Primary School – Processing Application – Reviewing Administrative Draft Environmental Impact Report (ADEIR)
 - 500 Children Primary School with wrap-around services
- l. 2020 Bay Rd. – Processing Application, Reviewing ADEIR
 - 1.4 Million sq. ft. Class A Office
- m. Sobrato Phase II - Processing Application, Reviewing ADEIR
 - 200,000 sq. ft. Class A Office

CITY MANAGER'S OFFICE

WORK PLAN 2018

Purpose: The City Manager, as the chief administrative officer of the City, is responsible for providing executive and administrative leadership to the city organization to implement the policies and priorities of the City Council.

The City Manager is responsible for ensuring the efficient delivery of municipal services, and is accountable to the City Council for the performance of the City organization. The City Manager also develops recommendations and strategies to meet the current and future needs of the East Palo Alto community, and along with the City professional staff provides technical and administrative support and advice to the City Council in the performance of their duties.

The City Manager also serves as the City Clerk and the Executive Director of the Successor Agency to the former Redevelopment Development Agency.

The City Manager's Office is in charge of the following functions:

- Supporting City Council Informational needs for Policy Development and Guidance
- Organizational Policy Oversight and Implementation
- Development of City budget based on policy objectives
- Structuring the organization's Human Resources to implement policy objectives
- General City Administrative Functions
- General City Administration, and records keeping via City Clerk's Office
- Legislative analysis
- Special Projects
- Improving Organizational Efficiency

Staffing and Resources

City Manager (1)

Assistant City Manager (1)

Executive Assistant to the City Manager (1)

Deputy City Clerk (1)

2016 Draft Work Program

The City Manager's Office is currently working in the following areas:

- Supporting the City Council in developing and providing long term policy direction
- Assessing the City's financial position, strength, and developing fiscal controls
- Exploring and recommending potential revenue generation strategies to finance infrastructure development and enhance level of services
- Considering organizational options to improve efficiencies, and promote internal professional growth
- Filling staffing vacancies, retaining staff
- Reviewing the progress and status of ongoing projects

- Assessing ongoing and future organizational staffing needs
- Preliminary Planning for City Facilities and Facilities Lease Negotiations
- Public Safety Enhanced Level of Services Alternatives
- Attending Community meetings and promoting community engagement
- Developing media material to inform and involve the community
- Maintaining an open door policy to foster a transparent government
- Open space strategic planning and expansion

UPCOMING MAJOR ACTIVITIES

- City Council Strategic Priorities Process
- Rebuilding the City Organization: Staffing + Space
- Facilities Planning – Lease Negotiations
- Lifting Water Moratorium – Developing Water Connection Fees
- Comprehensive Affordable Housing Strategy
- Hiring a consultant to develop a comprehensive Mobility Plan
- 0.5 mgd Water Transfer Negotiations – City of Palo Alto
- City Budget and CIP Preparation
- With support from the City Attorney’s Office and the Finance Department, provide Council options to consider placing a Business License Tax—on high tech companies leasing or owning space in East Palo Alto—on the November 2018 ballot for voters’ approval consideration.

Other Responsibilities

- City Clerk
- Successor Agency Executive Director
- Successor Agency Oversight Board Member (to June 30, 2018)

CITY CLERK'S OFFICE

WORK PLAN 2018

Purpose: The purpose of the City Clerk's Office is to oversee the democratic processes via transparency in access to municipal meetings and City records. The City Clerk's Office acts as a Compliance Office for federal, state, and local statutes including General Municipal Elections, the Political Reform Act, the Brown Act, and the Public Records Act. The City Clerk's Office manages public inquiries and arranges for ceremonial and official functions.

Staffing and Resources: The City Clerk Department is comprised of the City Manager/City Clerk, Deputy City Clerk, and Executive Assistant to the City Manager.

2018 DRAFT WORK PROGRAM **MAJOR PROJECTS**

- Update Audio Visual Equipment in Council Chambers. Main Sequence will provide a list of recommendations for upgrading the old and malfunctioning equipment. Expect upgrade recommendation will take place the second half of 2018, implementation by year's end.
- Automated Agenda Management software. Award contract to finalist for automated agenda management software. Work with IT with implementation process; begin training of staff and manage final roll-out of electronic automation for agenda creation. Implementation is expected to be completed by end of summer 2018.
- Archival of City-wide Documents. Create a plan to archive and organize all City documents currently in the storage facility and other City departments. This will necessitate hiring a contractor to assist in creating and adopt a city-wide nomenclature for City's documents, part time help to begin reviewing and digitizing each document and then upload it to our database, Laserfiche. This process, once begun will take up to 1+ year to finish.

ONGOING WORK

- Process FPPC Form 700's for City Council and Staff.
- Receive and respond to Public Records Act Requests.
- Agenda management for each Special and Regular City Council meetings that includes printing out hard copies & posting in public places and online.
- Transfer records on the shared drive to Laserfiche for all City employees to obtain
- Maintain the City's Website, downloading Council meetings onto the website.
- Post vacancies and Appointments to the Boards, Commissions, and Committees
- Maintain budget for both the City Clerk and City Council departments.
- Coordinate City Council's participation at events.
- Process and pay Council's requests for trainings, conferences and dinner meetings
- Administer Oaths of Office.
- Publish notices such as Ordinances & Public Hearings.
- Assist with Bids.
- Assist with Processing Resolutions/Ordinances.
- Create Proclamations, Recognitions, Appreciation Certificates and In Memoriam.

CITY ATTORNEY'S OFFICE

WORK PLAN 2018

Purpose:

The City Attorney's Office serves as the legal counsel to the City Council, the Successor Agency to the Former Redevelopment Agency of the City of East Palo Alto, the Rent Stabilization Board, the Planning Commission and all other appointed boards and commissions. The Office also serves as legal counsel to the City Manager and the City's operating departments in implementing the policies of the City Council and achieving the goals established by the City Council.

Staffing and Resources:

The City Council appoints the City Attorney and the City Attorney reports directly to the City Council. The staff of the office is comprised of the City Attorney, a Deputy City Attorney, and a Legal Secretary.

In addition, the City Attorney has entered into agreements with the following legal firms or attorneys for the provision of the following specialized legal services:

1. Atkinson Farasyn, LLP: Development code update; litigation related to violation(s) of the City's municipal code; and general legal services, as needed.
2. Goldfarb & Lipman, LLP: Legal services regarding land use entitlements, housing issues, and matters arising from the former Redevelopment Agency.
3. Jarvis, Fay, Doporto & Gibson, LLP: Legal services related to municipal finance, water acquisition and fee development.
4. Lance Bayer: Code enforcement prosecution for the Police Department and Community and Economic Development Department.
5. Renne Sloan Holtzman Sakai, LLP: Labor negotiations, employment investigations, and provide other employment related legal services.
6. Shute, Mihaly & Weinberger, LLP: Litigation and legal advisory services related to land use.

2017 Legislation:

The following are significant ordinances adopted or considered in 2017 in which the City Attorney's Office either drafted or assisted in the drafting of the ordinance:

- Interim Urgency Ordinance(s) Prohibiting Nonmedical Marijuana within the City of East Palo Alto.
- Rules and Regulations, Rent Stabilization and Just Cause for Eviction Ordinance. Amendments to implement changes required by Measure J.
- Ratification of the Menlo Park Fire Protection District Ordinance No. 38-2016, Adopting the 2016 California Fire Code with Local Amendments.
- Ordinance to Reauthorize a Fee to Support Public, Education, and Government (PEG) Access, AT&T State Video Franchise.
- Ordinance Amending Chapter 9.02.090 of the East Palo Alto Municipal Code (Unreasonable Noise and Unruly Gatherings Ordinance).

- Ordinance to Reauthorize a Fee to Support Public, Education, and Government (PEG) Access, Comcast State Video Franchise.
- Immigration Law. Study session on immigration law and policy.
- Adult Use Cannabis. Study session on Proposition 64, state licensing of commercial cannabis and local control regarding commercial cannabis businesses.

2018 Work Program

1) Litigation and Claims: The City Attorney’s Office will continue to:

- a) Represent the City in all civil actions filed against the City, including litigation management of outside counsel representing the City.
- b) Work with ABAG to investigate Tort claims filed against the City.
- c) Provide legal advice regarding subpoenas served on the City.
- d) Respond to Pitchess motions served on the City.
- e) Represent the City in any Writs filed against the City.
- f) File collection actions regarding the payment of registration fees and penalties under the Rent Stabilization and Just Cause Eviction Ordinance.

2) Ordinances: The following are ordinances that our Office will work on drafting or has already presented to the City Council for adoption in 2018:

- a) Water Capacity Charges. An ordinance assessing charges to the new developments or water connections to reimburse the City for cost of recently-acquired water supply.
- b) Police Department Rules and Regulations. An ordinance granting Police Department authority to adopt its departmental rules and regulations.
- c) City Manager Authority. An ordinance updating the City Manager’s appointment authority.
- d) Personal Indoor Cultivation of Cannabis. An ordinance establishing local regulations for the personal indoor cultivation of cannabis.
- e) Development Code. An ordinance completely revamping the Zoning Ordinance as part of the General Plan Update process.
- f) Tow Service Program. Adopt an ordinance which completely revises the existing Program. The new program would mirror the system employed by the California Highway Patrol and better provide for large vehicle towing.

3) Provision of Routine and Ongoing Legal Services:

- a) Serve as legal counsel at City Council, Planning Commission, and Rent Stabilization Board meetings.
- b) Provide Brown Act, Conflict of Interest, and Public Records Act training to City staff, boards and commissions and provide legal advice regarding the same.
- c) Review staff reports and resolutions for City Council, Planning Commission, and Rent Board Stabilization Board meetings.
- d) Draft and review the legality of contracts, ordinances, resolutions, administrative policies, deeds, leases and other legal documents and instruments.
- e) Represent the City in litigation, administrative hearings, and other legal matters and works with insurer(s) to investigate, evaluate and recommend disposition of all claims and litigation filed against the City.
- f) City Manager: Provide technical support regarding placement of a City-sponsored tax measure on the November 2018 ballot for approval/consideration by East Palo Alto voters.
- g) City Clerk: Provide legal advice on election law, public notice procedures, agenda review, and records retention/document management.
- h) Community Development Department: Provide legal advice on General Plan Update, specific plans, zoning laws, land use and developments, award of public contracts, water and infrastructure project support, and SFCJPA creek issues.
- i) Risk Management: Review certificates of insurance and endorsements provided to city by vendors and contractors and serve as alternate on PLAN Board of Directors.
- j) Rent Stabilization Program: Review appeals and draft City's administrative briefs, draft new regulations and/or amendments to existing regulations.
- k) Human Resources: Provide advice on employment law and labor relations.
- l) Code Enforcement: Provide legal advice and support regarding Code Enforcement cases.

ADMINISTRATIVE SERVICES DEPARTMENT

WORK PLAN 2018

Purpose:

The Administrative Services Department (ASD) supports the operations of the organization. The department ensures that there is effective information flow, that human resources are employed efficiently throughout the city, and deliver limited community services programming at parks and for seniors. Under the direct supervision of the Administrative Services Director there are four Divisions: 1) Administration, (1 Director, 1 staff); 2) Information Technology (1 contract staff); 3) Human Resources (2 Staff); 4) Community Programs (1 Staff, 5 part-time staff), City Hall Front Desk Reception (1 staff) and Community Interns (2 Interns) a total of 14 staff.

1) Administration:

Administration monitor Grant Agreements, streamlining the process through Policies & Procedures, as well as collaborating with Project Managers and community based organizations (CBO's) to educate and ensure compliance and evaluation.

Contract Management Major Accomplishments in 2017 / 2018:

- Design Request For Proposals (RFPs) which includes writing of RFP documents (instructions and forms), and delivering the Bidders' conferences
- Manage grant agreements/funding requests, and contracts with public service agencies (PSAs) and Community-Based Organizations (CBOs)
- Review PSAs' and CBOs' detailed work plans, budgets, and grant components
- Work with PSAs' and CBOs' representative in the preparation and approval of grant agreements and contracts
- Assist in the monitoring and compliance of assigned city grants
- Conduct regular on-site program visits and support on-site fiscal visits
- Assure assigned areas of responsibility are performed within budget and monitor revenues/expenditures to ensure sound fiscal control
- Assess the programmatic quality of funded-programs, prepare and analyze complex reports, and write reports to funded-programs
- Provide feedback on strengths and areas of improvement related to quality
- Assist in the development and implementation of technical assistance strategies for PSAs and CBOs to address their programmatic and administrative needs
- Conduct or coordinate training for PSAs and CBOs as appropriate
- Assist with the development of guidelines and processes to implement the delivery of funds
- Develop strong working relationships with contracting agencies
- Oversee/assist the external review process which includes recruiting readers, training, and setting-up review meetings
- Participate in the review of RFPs and prepare funding recommendations to the City Manager or City Council

- Prepare award letters and/or phone calls; develop recommendations, strategies, and timelines for PSAs' and CBOs' program improvements and changes to bring programs in compliance with contract goals, investigate and research non-compliant issues
- Create tracking tools to ensure compliance is met. (Develop/Compliance).
- Drafted new grant policies and procedures with consultant Kevin Harper, CPA
- Created a new Grant Status Report Spreadsheet, with the help of the consultant and finance, to actively track contract grant activity keeping compliance.
- Completed over 15 site visits of community based organizations (CBO's)

In addition Administration is in charge of overseeing:

- East Palo Alto Career Center/First Source Hiring Program
- Workforce Management and Development and Succession Planning
- City Event Coordination
- Disaster Preparedness Response Support

2) Information Technology (IT):

The IT Division oversees all services for Information Technology, telecommunications and media (audio/visual). The Information Technology Division provides comprehensive information technology (IT) via City of Redwood City consulting service, including project planning and management for system implementations and are also responsible for IT planning, administering, and maintaining the city's data systems, including servers, data storage, firewall, and security systems, as well as administering and maintaining the radio, data, and voice networks and media services in-house.

Information Technology Major Accomplishments 2017 / 2018:

- Continuous 99.8% Uptime and timely customer service
- Testing of Body Cam system (EPAPD)
- Implementation of Office 365 (e-mail and applications) to all users
- Telephony systems upgrade pending facility update/relocation
- Update of City website (free refresh as provided by CivicPlus)
- Member of the City HRIS Planning Team

3) Human Resources Division:

The Human Resources Division performs six (6) major functions supporting our most important resource: People. a) Recruiting and selection process, b) workplace safety, c) employee relations, d) compensation and benefits, e) compliance, f) training and development. HR Staff participates in payroll, benefits on-boarding, union-management relations and negotiations and all things People.

4) Community Programs Division /Senior Services /Disaster Preparedness / PIO:

There is great diversity in the structure, focus, and delivery of Community Programs/services. Programs differ in their objectives and the emphasis they place on particular program features such as activation of creative and exciting activities/events in local parks or the development of sports programs. Our programs strive towards incorporating developmental opportunities while working to meet the needs of individual participants. In addition, this division provides Public Information for dissemination to the public in written and various media forms and supports the EDD and CERT with disaster preparedness

City Hall Reception:

It provides general office support with a variety of clerical activities and multiple other office tasks. The receptionist is responsible for answering incoming calls, directing calls to appropriate staff, distribution of mail, flow of correspondence, requisition of supplies, assist Community Programs with facilities reservation, as well as a host of additional clerical duties as required, including translation services.

Community Services Major Accomplishments 2017 / 2018:

- Convened community follow-up on MBK
- Secured a \$50,000 grant for Cooley Landing
- East Palo Alto Movie night in the park
- Partnership with the EPA Library
- Senior field trips
- Senior Congregate Nutrition and Transportation programs
- Provided special support for seniors
 - Three (3) Senior Networking Events with over 500 in total attendance and draft of new Park Policies

COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT ADMINISTRATION WORK PLAN 2018

Purpose: The Administration Division of the Community and Economic Development Department, under the direction of the Assistant City Manager is responsible for providing direction and oversight for the Planning and Housing, Building Services Divisions as well as the Public Works Department and the Engineering and Maintenance Divisions. The Assistant City Manager coordinates with the City Manager to develop policy for the Community and Economic Development Department, the Department of Public Works, and administrative staff, assuring that the approved budget is adequate for the Departments to meet its objectives.

Staffing and Resources: Under the direct supervision of the Assistant City Manager, the Division has a staffing level of 5 full-time positions:

Community and Economic Development Director (1) Vacant
Management Analyst (2) (1 Vacant)
Secretary II (1)
Office Assistant (1)

2018 Draft Work Program

CEDD Administrative Division

1. Staff attraction, retention, and development, including recruiting a Chief Building Official, Community and Economic Development Director, City Engineer, Senior Engineer, Affordable Housing Project Manager, and Management Analyst.
2. Facilities: Develop workstations for City staff, including office for Community and Economic Development Director, and workstations for other CEDD and PW staff.
3. Facilities: Make significant progress in identifying solutions for finding a location for the Police Dept.
4. Ensuring adequate resources are in place to deliver City Council priorities.
5. Water- Flood prevention- Continue current efforts to minimize flooding along San Francisquito Creek, and complete Runnymede Phase II
6. Water- Supply: Implement Gloria Way Well and Pad D projects
7. Water- Supply: Finalize the transfer of an additional 0.5 mgd in SFPUC Water allocation from Palo Alto, in coordination with Palo Alto, SFPUC, and BAWSCA.
8. Water- Create and adopt Water Connection Fees and a water demand offset policy.
9. Water-Upon adoption of Water Connection Fees Remove Moratorium on new or expanded water meters.
10. Complete Impact Fees for infrastructure, community facilities and parks.
11. Ensure that structures and resources are available to process major planning applications.
12. Provide policy level management of Department activities, including communications through staff meetings, directives, and training.
13. Meet frequently with City Manager and key staff of other department to coordinate regarding Council priorities and City administration.

14. Review and participate in preparation and discussion of projects, plans, ordinances, and policies related to planning, housing, engineering, maintenance and building.
15. Develop annual goals and priorities, and prepare Departmental budget.
16. Prepare staff reports, presentations, and other communications for the City Council and other boards and commissions.
17. Manage or assist with the Affordable Housing Strategy and associated affordable housing activities.
18. Attend and participate in community engagement opportunities, forums, workshops, etc., as City representatives.
19. Provide staff support for reception, clerical, procurement and analytic services to all departmental staff.

Environmental Management

20. Finalize the Stormwater Resource Plan and continue to develop Green infrastructure plan for compliance with stormwater mandates.
21. Full Trash Capture Infrastructure CIP: Meet MRP 2.0 mandates for 70% full trash capture by 2017 and 80% full trash capture by July 2019.
22. Develop Solid Waste Management programs to reduce the incidence of illegal dumping and overflowing trash cans and new hazardous waste and biohazard waste management program for management of illegal dumping waste. Explore potential program to address motor home waste management.
23. Temporary Recreational Vehicles Parking Facility: Coordinate /Contract with Project WeHope and other Core service providers to develop a contract for temporary safe parking services for RV dwellers; Oversized Vehicle Towing Contract; Oversized Vehicle Parking Prohibition; Sewage and solid waste management in public right of way
24. MRP 2.0/ NPDES Compliance: (0.5 FTE Management Analyst): Plan check of private and CIP projects for new development requirements, solid waste, water efficiency, Construction inspections, Business inspections; Compliance reviews, Corp Yard Inspections, Annual Report; Full Trash Capture Mandates; Illicit Discharge and Detection Monitoring; Proposition 218 process and funding needs assessment: Homeless Encampment needs assessment and exclusion practices (fencing of isolated areas to prevent ongoing encampments)
25. Solid Waste Management: Clean City Plan Implementation, CSA training, baseline data gathering. Updated policies and procedures. Recology Contract update to include stormwater compliance, overflowing trash bins, abandoned waste
26. Green Infrastructure Plan and Implementation: Preparation of Green Infrastructure plan (GIP) due January 2018. Review of major development sites for consistency with GIP. Addison Avenue Green Infrastructure Project (CIP)
27. Clean Coalition: Work with Clean Coalition to prepare Electric Vehicle Charging Station Master Plan, Commercial Scale Solar Master Plan, analyzing potential for a micro-grid site to be supported with full services in the event of major disaster or other PG&E grid impairment.
28. Canopy Agreement: Continue to collaborate with Canopy on tree planting events with the community. Urban Forest Master Plan support Planning for development
29. Other Responsibilities: The Assistant City Manager, and team members, participate in regional and area wide planning efforts, interagency functions, and in professional organizations.

PLANNING DIVISION

WORK PLAN 2018

Purpose: The Planning and Housing Division is responsible for current and long range planning within the City. The Division maintains and updates the City’s General Plan and interprets and enforces the City’s Zoning Regulations. The Division provides support to the Planning Commission and City Council.

Staffing and Resources: Under the direct supervision of the Planning and Housing Manager, the Division has a staffing level of 3 full-time positions and one part-time position, as well as contract consultant assistance:

- Division Manager (1)
- Assistant Planner (1)
- Associate Planner (1)
- Senior Planner (1) Vacant
- Contract Senior Planner (0.4 FTE)
- Contract Permit Technician (0.4 FTE)

The Division also contracts with planning and environmental consultants for review of private projects, for environmental review.

2017 Draft Work Program

Principal Ongoing and Forthcoming Activities:

The Planning and Housing Division’s principal ongoing and forthcoming activities include:

1. Update of the City’s Development Code

The City of East Palo Alto is embarking on a significant planning effort to rewrite the City’s Development Code, only the third major rewrite of the City’s zoning code in the past 35 years. A development code is a document that implements the General Plan on a property by property basis and has very detailed standards for height of buildings, the process to remove a tree

Status:

The document is now ready for public review: <http://www.cityofepa.org/index.aspx?nid=619>. Below are tentative dates for passed workshops to review the draft Development Code.

January 22, 2018: Planning Commission Study Session #1 (7:00PM)-9PM

February 5, 2018: Planning Commission Study Session #2 ((7:00PM)-9PM

March 20, 2017: City Council Workshop

April 17, 2017: City Council Adoption

Schedule:

	2018			
	Q1	Q2	Q3	Q4
Development Code				

2. Development Projects

The City of East Palo Alto Planning Division is currently processing more environmental documents for major projects than at any time in the City’s history. Currently, three Environmental Impact Reports are being processed:

- Sobrato Phase II, a 200,000 sq. ft. Class A Office Project on University and Donohoe
 - 2020 Bay Road, a 1.4 million sq. ft. Class A Office Project at the eastern end of Bay Rd.
 - The Primary School, a 500 children Primary School at the eastern end of Weeks St.
 - A Mitigated Negative Declaration (MND) is being processed for the EPA Center Arts project
- All of these projects will be reviewed by the Planning Commission and City Council in 2018.

Status:

The EPA Center Arts project will be reviewed by the Planning Commission and City Council in the Q1 and Q2 of 2018. The Public Draft EIRs will be reviewed during the later part of 2018 in Q3 and Q4.

January-March: Planning Commission and City Council of the EPA Center Arts Project

August-November: Planning Commission and City Council of the Sobrato Phase II, 2020 Bay Road, Primary School

Schedule:

	2018			
	Q1	Q2	Q3	Q4
EPA Center Arts				
Sobrato Phase II, 2020 Bay Road, Primary School				

3. Comprehensive Mobility Study:

East Palo Alto experiences severe traffic because other Silicon Valley cities deliberately develop more jobs than housing units. This traffic creates significant problems in East Palo Alto as residents are stuck in regional traffic, and both regional and local traffic moves from the arterials to local streets, further creating congestion in the neighborhood. East Palo Alto suffers from significant cut through traffic. 84% of the trips on University Ave. neither originate nor end in East Palo Alto. East Palo Alto has the highest rates of asthma in the County. East Palo Alto also has among the highest transit propensities and highest rates of trips by pedestrians and bicycles in the County.

Status:

Staff applied for a Sustainable Transportation Planning Grant from the State of California, which was due on October 20, 2017. The grant would require 11.47% local match. If awarded the funds, the funds should be available in May 2018. The Planning Division will be supporting the Public Works Department with this initiative in the Q3 and Q4 of the 2018 with the organizing of community meetings and regular updates to the Planning Commission and City Council.

Schedule:

Mobility Study	2018			
	Q1	Q2	Q3	Q4

4. East Palo Alto Park Master Plan:

Parks and recreational facilities provide a critical benefit to the City. They provide space for active and passive recreation, enhance the visual appearance of the City and contribute to increased residential and commercial property values. The City currently maintains a parkland dedication

in/lieu fee standard of 3 acres per 1,000 residents (Ordinance 145). With a projected increase in population of 7,515 by the 2035 build-out, 79 acres of new parkland will be needed to meet the 3 acre standard. East Palo Alto’s demographics – with more children and larger household size than the County average – highlight the high demand for parks in comparison to neighboring communities. Increasing the amount of open space within the City is a major goal of the 2035 General Plan.

Status:

The Planning Division will begin on the preparation of the Park Master Plan for the City of East Palo Alto in 2019 as it may be prioritized by Council.

Below are tentative dates in 2019 to begin for Park Master Plan process:

June 2019: Request for Proposal RFP to be released by City Staff

September 2019: City Council selection of a Park Master Plan consultant

November 2019: Park Master Plan Community Workshop #1

Schedule:

	2019			
	Q1	Q2	Q3	Q4
Park Master Plan – Postponed to 2019				

Other Day to Day, Ongoing Activities:

In addition, to the major projects above, Planning staff oversees the following activities:

1. Review of private development projects and proposed capital improvements projects for consistency and conformity with the General Plan and Zoning regulations.
2. Providing assistance to residents, developers, and businesses on a variety of issues regarding their property, at the public counter, by phone, and by e-mail.
3. Identifying the need for new plans, policies, and Development Code changes.
4. Implementing the City’s General Plan.
5. Management of the BMR units (to be transitioned to Housing Project Manager)
 - Issuance of annual letters (occupancy restriction)
 - Compliance with refinance requests, requests for additional living space
 - Providing public information regarding program requirements
 - Overseeing Affordable Housing Impact fees program
6. Preparing staff reports and presentations to the Planning Commission and City Council.
7. Informing applicants regarding use permit requests, including garage conversions, subdivisions, business licenses, temporary use, mobile vendor, tree removal permits.
8. Manage CRS Program and Hazard Mitigation Plan
9. Implementation of various City plans, i.e.: Climate Action Plan, Bicycle Plan.
10. Handling of non compliance with projects’ conditions of approval
11. Provide staff support for the Code Enforcement/Second Unit Task Force
12. 21 Elements: Countywide housing process
13. Association of Bay Area Governments / MTC regional planning processes
14. Local Census Update Addresses (LUCA)

HOUSING DIVISION

WORK PLAN 2018

Purpose: The Housing Division coordinates two housing programs: Affordable Housing and the Rent Stabilization and Just Cause for Eviction Ordinance (“Ordinance”), administered by the Rent Stabilization Program (“Program”), are “to protect residential tenants in the City from unreasonable rent increases, to discourage speculation in rental property, to protect tenants from arbitrary, discriminatory or retaliatory evictions and to assure landlords the right to a fair rate of return.”

Staffing and Resources:

- Rent Stabilization Program Administrator (1)
- Rent Stabilization Counselor I/II (1)
- Housing Project Manager (1) Vacant

- The Program contracts with attorneys who serve as Hearing Examiners for Individual Rent Adjustment Petitions. The Program also contracts with Project Sentinel and other mediation service providers for mediation services which can be requested by both petitioner and respondent in the petition process. A Housing Project Manager is being recruited to lead housing efforts in the development of policy, project development and management of the City’s affordable housing stock.

Actions to Support the Rent Board and Committees:

1. Prepare for Board meeting agendas, schedule meetings, with agenda packets, and action minutes.
2. Prepare reports with background information and recommendations for the Board including recommendations on rent adjustment petition appeals.
3. Provide regular updates to the Board on the status of the implementation of the Program.
4. Provide reports and recommendations to the Outreach and Education Committee on how to better engage landlords and tenants in English and Spanish. Distribute information, notices, brochures and Program’s guides.
5. Provide a report with recommendations to the Rent Board for its authorization of the Annual General Adjustment (AGA) for mobile home park spaces regulated under the 1988 Ordinance and rental units under the 2010 Ordinance.
6. Assist the Board in the submittal of its annual budget recommendations to the Council.
7. Assist the Rules and Regulations Committee in reviewing the need for and prioritizing the drafting of any new or amended regulations for the Rent Board’s consideration.
8. Update administrative policies and procedures for the Program.

Actions to Implement the Rent Stabilization Ordinance and Regulations:

9. Provide customer service / counseling to landlords and tenants with questions regarding the Ordinance.
10. Provide customer service / counseling to landlords and tenants with concerns about health and safety, habitability and code violations in rental housing, including relocation assistance due to habitability issues.
11. Assist the City Attorney’s Office and contract legal counsel in drafting regulations and any needed amendments to implement the Ordinance for the Board’s review and approval. Update forms and notices to reflect any revisions adopted.

12. Review all Change in Tenancy statements submitted and process each within five business days of completion to certify Maximum Allowable Rents.
13. Record in the database the amount and date of all rent increases reported in all Thirty-Day Notices of Rent Increase submitted to the Rent Board.
14. Collect annual program fees for submittal to Finance and record into Program's database.
15. Contract for legal services, hearing examiners, support services for temporary assistance for translation and interpretation services and preparation of large generic mailings.
16. Process invoices and purchase orders for payment.
17. Translate forms and notices, including updates and revisions, into Spanish.
18. Update website: post meeting agendas, new and updated notices, forms, regulations on the Rent Program website, including Spanish versions for tenant information or use.
19. Process individual rent adjustment petitions.
20. Catalogue and electronically archive program records into the database.
21. Provide guidance for IT in programming database to make adjustments and updates.
22. Prepare templates to standardize notices of petitions to be sent to respondents, notices of hearings, of hearing decisions, Board reports, findings and decisions issued by the Board for appeal hearings, notices of noncompliance, notices of accrued penalties, etc.
23. Process landlords' exemption claims and process any tenant objections submitted and schedule hearings as needed.
24. Prepare and mail annual program fee invoices and statements to all landlords of regulated rental units.

Actions to Secure Compliance with the Ordinance and Regulations:

25. Assist landlords and tenants with information about requirements and protections in the Ordinance and regulations, and provide assistance in completing rent adjustment petitions.
26. Hold workshops/presentations for landlords and tenants on topics related the City's rent stabilization and just cause for termination ordinances.
27. Work with Code Enforcement and Building to inspect and determine housing code or habitability violations.
28. Review to determine completeness and process petitions filed with the Program challenging rent overcharges, seeking individual rent adjustments or withhold rent approvals for failure to register or for maximum allowable rent violations.
29. Track eviction records to determine compliance and provide reports to the Rent Board on a regular basis. Provide tenants with legal aid provider referrals.
30. Review and process Annual Program Fee Statements submitted by landlords.
31. Draft and issue notices of non-compliance to landlords demanding and collecting any late fees and penalties that have accrued.
32. Enter annual program fees paid into the database to track unpaid fees, balances due from prior years, and calculate penalties due for late payment and for late registration.
33. Address unresolved compliance issues.
34. Identify noncompliant landlords and assist the City Attorney in taking all necessary actions to secure payment.
35. Send annual notices to those current tenants of regulated units with their current apparent maximum allowable rent amounts.

Affordable Housing Strategy, Preservation, and Development

36. Management of the Below Market Rate units (to be transitioned to Affordable Housing Project Manager), including ,Issuance of annual letters (occupancy restriction), Compliance with refinance

requests, Providing public information regarding program requirements, Overseeing Affordable Housing Impact fees program

37. Complete Affordable Housing Strategy. Develop and recommend practical means for implementing various housing policies and proposals.
38. Pursue affordable housing development on 965 Weeks St.
39. Review and comment on relevant affordable housing legislation.
40. Lead/Coordinate, and/or assist with RV Parking strategy, 2nd Unit Taskforce issues, and other affordable housing anti-displacement issues.
41. Hold periodic meetings for residential tenants.

BUILDING DIVISION

WORK PLAN 2018

Purpose: The Building Services Division assignment is to fulfill the mandate for enforcement of Titles 8, 19, 24 and 25 as designated to governmental authorities to enforce adopted Building Standards and Housing Codes, establish and enforce minimum state legislative requirements to safeguard the public health, safety, and general welfare through - Structural strength - Means of egress facilities – Stability - Access to persons with disabilities - Sanitation - Adequate lighting and ventilation and energy conservation - Safety to life and property from fire and other hazards attributed to the built environment and - Safety to fire fighters and emergency responders during emergency operations.

Staffing and Resources: Under the direct supervision of the Chief Building Official, the Division has a staffing level of 7 positions:

- Chief Building Official (1)
- Building Inspector (1)
- Building Permit Technicians (2)
- Code Enforcement Officer (3)

2018 Draft Work Program

The Building Services Division (BSD) is currently engaged with the following activities to enhance efficiency, quality, and productivity in fulfilling the following requirements:

1. Recruit for vacant positions and create on boarding plans.
2. Update CRW to enable a Citizen Access Portal that will allow customers to apply for building permits, view application status, schedule inspections, view inspections, view historic information, and submit code enforcement complaints via the portal. This mechanism will reduce phone calls, foot traffic, and traffic into the city.
3. Allow for a credit card machine. This mechanism will allow the building department to process online permits and applications – thus, reducing traffic to the city; and facilitating submitted projects.
4. Provide electronic field devices for inspectors. This will enable inspectors to result inspections in real time (assuming CRW upgrade); view building codes online (instead of carrying bulky codes in the field); use device to conduct code enforcement documentation in the field; to include viewing building permit information in the field for both building inspection and code enforcement purposes.
5. Digitize large documents to enable staff to research and find documents with ease, reducing research time drastically. This will be done in coordination with other departments.
6. Purchase a program subscription to document playground inspections. This will enable the playground inspector to accurately, consistently and efficiently record the inspections in a paperless fashion.
7. Pursue other organizational efficiencies to improve customer service.
8. Assist with activities of 2nd Unit Taskforce and other multi-departmental issues such as the RV parking issue.
9. Continuous and ongoing staff training to enable efficient and effective delivery of customer services related to Permit Center first contact information, Building Permitting, Business License

issuance, dispensing of accurate educational materials specific to the interests of those seeking Permit Center services.

10. Development and utilization of digital environment including plan review to provide accelerated turn-around timelines for permit submittals as well as accurate public records.
11. Training program for BSD staff to achieve ICC certifications to enable over-the-counter review and issuance of minor building permit applications and to provide enhanced resources to our customers.
12. Enhanced coordinated responsibilities with Menlo Fire, Code Enforcement, and San Mateo County Health to assist residents with complaints specific to violations of minimum habitability and illegal construction activities.
13. Proactive inspection on large projects (e.g., University Plaza, etc.) with the goal of keeping the project moving to completion with limited field inspection corrections.
14. Provision of public educational outreach opportunities to assist persons in understanding state requirements and their responsibilities related to Building Standards Code compliance.
15. Continue to work as a coordinated resource in the implementation of citywide standards for enforcement of Title II of the Americans with Disabilities Act.
16. Manage the extreme load of Code Enforcement cases in accordance with City Council's adopted priorities by utilizing the following priorities strategy:
 - **Priority One:** Eminent/Immediate threat to health, safety, or environmental resources.
 - Violations that require immediate attention to address eminent threats to public health and safety or to environmental resources.
 - **Priority Two:** Potential threat to health, safety, or environmental resources.
 - Violations that have the potential to damage public's health, safety or environment.
 - **Priority Three:** Technical code violations.
 - Violations that do not pose an eminent or potential threat to the public health or safety or the environment, but which may, if not abated, compromise the welfare of the community and reduce the quality of life for residents and businesses.

This includes collaboration and coordination with both internal and external agencies regarding code enforcement activities. The Building Services Division will continue to assist customers with resolving their code enforcement issues by providing viable solutions; to include providing customers with the tools necessary to abate their violations.

Other Responsibilities

1. Participation with Bay Area Tri-Chapter of the International Code Council monthly meetings to work with other jurisdictions for consistent implementation of CA Building Code.
2. Participation in CALBO and CALOES trainings and conferences.
3. Continuous enhancement of City Services.
4. Support of other City Divisions as needed.
5. Updates related to City Codes and Ordinances.
6. Code compliance meetings and hearings as well as court appearances as required.
7. Development of a new fee schedule.
8. New programs as mandated by State Laws.

PUBLIC WORKS DEPARTMENT

ADMINISTRATION & ENGINEERING DIVISIONS

WORK PLAN 2018

Purpose: The Public Works Department is comprised of Engineering and Maintenance Divisions, and is responsible for the design, construction, contract administration, permitting and overall maintenance and operation of the City's infrastructures.

The **Engineering Division** oversees the design, development and construction of public works capital projects and facilities, including streets and roadways, water supply, and storm drainage systems. It is responsible for permitting of grading and encroachment permits, performs various reviews related to private development projects (drainage, water supply, traffic impacts), preparing grant applications, and facilitate the work of the Public Works & Transportation Commission. It also works to ensure all capital improvements meet engineering design standards to provide residents with efficient, safe and functional infrastructures to enhance the quality of life and safety for our community.

Staffing and Resources:

The Public Works Department/Engineering Division, under the direction of the Public Works Director, consists of the following six positions:

1. Public Works Director (1)
2. City Engineer (1)
3. Senior Engineer (1)
4. Associate Engineer (1)
5. Assistant Engineer (1)
6. Public Works Inspector (1)
7. Administrative Assistant (1)
8. Community Services Aids (2) Vacant, under recruitment

The PWD/Engineering Division manages contracts with contractors, engineers, and designers to design and construct capital improvement projects for infrastructures, parks, and public facilities. Much of the funding for these projects comes from grants obtained from regional, state and federal agencies.

2018 Draft Work Program

Organizational Development

Recruitment of City Engineer and Senior Engineer. Prepare on-boarding strategy.

Implementation of Capital Improvement Projects

1. Annual Streets Resurfacing/Reconstruction Project 2017/18 (design & construction)
2. Highway 101 Pedestrian-Bicycle Overcrossing (construction)
3. University Avenue/101 Overcrossing (design)
4. Runnymede Storm Drain Project - Phase II, (Maintenance Program)
5. Bay Road Improvements, Phase II & III, (initiate construction phase)
6. Gloria Way Well Water Treatment System (construction completion, testing, and operation)
7. New Groundwater Well near Pad "D" (complete environmental & design)
8. Cooley Landing Phases, 4&5 (Design and Construction)
9. Trash Capture Device (Design and construction)

Major Studies and Reports

1. ADA Transition Plan
2. Mobility Study
3. Update CIP/Capital Budget
4. San Francisquito Creek JPA DEIR Phase II (Upstream of Hwy 101)
5. Newell Bridge Replacement Project (DEIR, Design By PA)

Private Development

- Continue Engineering Review for the four major development projects:
 1. 2020 Bay Road,
 2. Sobrato Phase II,
 3. 1950 Bay Arts Center,
 4. Primary School, and other minor projects.
- Influx of private development with the impending lift of the water moratorium restrictions
- **SmartTA project for Sensors on University Avenue**
 - Continue to work with Sustainable Silicon Valley and Urban Integrated to install sensors at key intersections along University Avenue to track air quality data for the East Palo Alto community.
- **EPA Healthy Watersheds Resilient Baylands Grant Implementation**
 - Continue to coordinate with San Francisco Estuary Institute, Grassroots Ecology, and Canopy on identification and installation of rain gardens and other landscaping features throughout the community to expand the ecological health and public health of the riparian corridor along San Francisquito Creek and the San Francisco Bay.
- **Police Station Power Backup Project**
 - Conduct a needs assessment to determine the power needs required for the Police Department to be fully operational in the event of a power outage, with the purchase of portable generators.

Interagency Coordination

The PWD/Engineering Division coordinates extensively with local, regional, state, and other agencies, involving planning, engineering, design, construction, and maintenance for all infrastructure currently existing and needed for the future. Some of these agencies include:

1. San Francisquito Creek Joint Powers Authority (SFCJPA)
2. California Department of Transportation (Caltrans)
3. SamTrans and San Mateo County Transportation Authority (SMCTA)
4. City/County Association of Governments (C/CAG)
5. Bay Area Water Supply Control Association (BAWSCA)
6. San Francisco Public Utility Commission (SFPUC)
7. Santa Clara Valley Water District (SCVWD)
8. Cities of Palo Alto and Menlo Park
9. Mid Peninsula Open Space District
10. Metropolitan Transportation Commission (MTC)
11. State Department of Water Resources (DWR)
12. US Environmental Protection Agency (USEPA)
13. San Mateo County Public Works
14. Pacific Gas & Electric (PG&E)
15. East Palo Alto & West Bay Sanitary Districts
16. Water Companies

Other Responsibilities: The PWD/Engineering Division also provides staff support and facilitate the work for the Public Works and Transportation Commission, and attends and supports the City Council and Planning Commission as necessary.

PUBLIC WORKS DEPARTMENT

MAINTENANCE DIVISION

WORK PLAN 2018

Purpose: The Maintenance Division provides maintenance of the City's parks, open spaces, medians, street pavement, streetlights, sidewalks, illegal dumping and facilities. The Division operates and manages storm drain facilities including the O'Connor Pump Station. The Division addresses graffiti abatement in public areas, manages fleet services, and manages other contract services.

Staffing and Resources: Under the direct supervision of the Maintenance Division Manager, the Division has a staffing level of 12 positions:

- Division Manager (1)
- Secretary (1)
- Maintenance Worker III (2)
- Maintenance Worker II (4)
- Maintenance Worker I (4)

2018 Draft Work Program

The Maintenance Division is responsible for a wide-range of functions, primarily ongoing operations, including the day-to-day maintenance of:

- 1) **Storm Drainage District:** Maintain citywide storm drainage system, including operation of O'Connor pump station. Ensuring compliance with the National Pollution Discharge Elimination System (NPDES) mandates of the San Francisco Bay Regional Water Quality Control Board.
- 2) **Facilities:** Maintain operations of Senior Center, Cooley Landing, Police Department, Corporation Yard, Community Development, Re-entry Program, Space at YMCA, Jack Farrell and MLK park concession buildings.
- 3) **Parks:** Maintain Martin Luther King Jr., Jack Farrell, Bell St., Joel Davis, Cooley Landing, New Bridge pocket park, etc.
- 4) **Open Space Landscaping:** Maintain street medians, alleyways, sound walls, and the Rail Spur.
- 5) **Tree:** Maintain over 6,000 trees in public right of way.
- 6) **Graffiti Abatement Program:** Remove graffiti in public Right of Way, City facilities, bus shelters, parks, and the pump station.
- 7) **Sidewalk:** Repair and grind hazard and uplifted sidewalks to prevent trip and fall.
- 8) **Street:** Maintain existing streets, fill potholes and maintain shoulders throughout the City, including annual pavement crack sealant project.
- 9) **Regulatory Signage:** Install new signage, repair damaged signage, and remove graffiti from signs.

- 10) **Red Curbs:** Maintain and refresh over four (4) miles of red curbs Citywide.
- 11) **Traffic Signals:** Maintain traffic signal operation of 13 intersections.
- 12) **Lighting:** Maintain 900 LED street lights, parking lot lights and facilities lighting.
- 13) **Illegal Dumping:** Respond and pickup illegal dumping Citywide and provide daily report of bulky illegal dumping to the Recology of San Mateo.
- 14) **Street Sweeping Program:** Install new signage, repair existing damaged signs, and report resident concerns.
- 15) **Fleet:** Maintain repair and services of Community Development and Public Works vehicles.
- 16) **Sandbag Station:** Maintain a sandbag station and provide sandbag to residents at Corp Yard.
- 17) **Contract Services:** Manage several service contracts related to fulfilling the above tasks.
- 18) **After Hours Emergencies:** Respond to emergencies, and maintain a list of on-call personnel.

FINANCE DEPARTMENT

WORK PLAN 2018

Purpose: The Finance Department maintains the financial integrity of the City by providing fiscal management and oversight, including safeguarding assets. Oversee financial, compliance, and operational reviews and/or audits that provide independent and objective analysis of City departments; provide accurate, completed, and timely financial records, maintain and enhance the City's financial reporting systems, controls and disbursements.

Staffing and Resources: Under the direct supervision of the Finance Director, the Department has a staffing level of 6 positions:

- Finance Director (1)
- Accounting Manager (1)
- Accountant II (2)
- Account Technician I/II (2)

2018 Work Program

Major Initiatives:

1) 2018 Ballot Tax Measure

Description: In March 2018, Council directed staff to plan for a Ballot tax measure to address affordable housing, jobs, traffic, and other service issues associated with development. If the Measure is approved and passed by the voters, Finance will initiate tax procedures, noticing, and compliance processes for administering the tax estimated to be effective January 2020.

2) Cost Allocation Plan and Master Fee Study

Description: During 2017, the Finance Department engaged in an RFP process to update the City's existing cost allocation plan and master fee schedule. The City has not updated the underlying studies since 2011. The Cost Allocation Plan (CAP) and Master Fee Study (MFS) together will establish that: a) City user fees related to discretionary or regulatory services are appropriate and legally defensible and, b) City overhead cost allocations to Federal and State grant programs and other City departments are in compliance with applicable laws and mandates.

Aside from ensuring that the City's cost recovery plan and master fee schedules are sound and properly documented, the Fee Study (based in part on the CAP) will result in the identification of new user fees for City Council to consider in order to ensure the City is capturing the costs (and resulting fees) for the full range of user-services provided.

Status: The CAP draft is issued and will be completed August 2018. The MFS was delayed, and will "re-boot" pending hiring of three positions critical to the study: City Engineer, Building Official, and Community Development Director.

3) Major Citywide Finance Policies

Description: Financial policies are central to a strategic, long-term approach to financial management. Some of the most powerful arguments in favor of adopting formal, written financial policies include¹:

- Institutionalize good financial management practices.
- Clarify and crystallize strategic intent for financial management.
- Define boundaries. Financial policies define limits on the actions staff may take.
- Support good bond ratings and thereby reduce the cost of borrowing.
- Promote long-term and strategic thinking.
- Manage risks to financial condition. A key component of governance accountability is not to incur excessive risk in the pursuit of public goals.
- Comply with established public management best practices

The Finance Department has initiated a long-term process to improve certain financial and operating policies in order to strengthen the City's financial management framework. The following major policies are planned and/or implemented for 2018: Debt Policy, Grants Policy (and related procedures), Investment Policy, Capital Policy, Procurement Policy (and related procedures), Reserves Policy (and CalPERS funding options).

4) Financial Studies

Description: Finance has planned studies to increase the technical foundation for budgeting assumptions related to risk liabilities, equipment and facilities replacement, employee benefits and reserves for retirement and other leave liabilities. Often, cities will determine the internal charge rates for such activity and account for such in a group of funds referred as "Internal Service Funds". The City has not, to date, established such funds. All risk and replacement-related funding is accounted for as designated reserves in the City's General Fund. Internal Service Fund accounting, and reporting in the CAFR, is more technically demanding than the current accounting method, and requires that the City continue to update technical studies underlying established internal service rates.

Depending upon other pressing initiatives (such as hiring an outside consultant to assist in the preparation of specification-requirements for a new information system) – the City does not necessarily need to create Internal Service Funds in Annual Budget period.

However, a number of underlying studies will be prepared that will enable the City to establish proper reserve levels, and have the ability to create the Internal Reserve Funds at a later time.

Status: The Self-Insurance, Technology, and CalPERS rate studies are complete. The equipment replacement charge study is being prepared in conjunction with the Cost Allocation Plan and Master Fee Study and is expected to be completed September 2018.

¹ Source: Excerpted from the Government Finance Officers' Association (GFOA) website

Other Initiatives:

Description: Aside from three major initiatives: 1) Cost Allocation Plan and Master Fee Study, 2) Financial Policies, and 3) Financial Studies, the Finance Department is working on and/or developing initiatives for the following process improvements:

- Successor Agency:
 - Last & Final ROPS
 - Transition to County Oversight
- ABAG Corporation transition to PLAN JPA
- Set standards for new reporting compliance - AWE Lease Amendment
- Auditor Agreed Upon Procedures – AWE, Senior Center
- Financial projections – SBWMA Franchise Extension Agreement
- Initiate CalPERS reporting change requirements
- Improve compliance processes and procedures for business license
- Implement new tax measure compliance and reporting
- Improve Budget Strategic Process:
 - New Supplemental Budget Request Form
 - New Capital Project Request Form
- Serve as Board Member for PLAN JPA (liability and property risk pool)
- Serve on PLAN JPA Claims Committee
- Serve on SBWMA Solid Waste Contract Extension Committee (Nov. 2016-Jan. 2019)

Major initiatives that are critical to continued process improvement, but will require prioritization of scheduling and hiring outside consulting support:

- RFP to establish specifications for new Information System
- RFP for Investment Management Services
- RFP for credit card processing services
- Finance policies and procedures
- Disaster Planning and Disaster Recovery Procedures

The Finance Department administers the following day to day functions:

Administration and Financial Reporting

- Prepares and manages annual audit for:
 - Comprehensive Annual Financial Report
 - Measure C
 - Measure A
 - Single Audit (Federal Grants, if applicable)
- Prepares and manages Adopted Budget
- Monitors and reviews Capital Improvement Budget
- Administers the East Palo Alto Redevelopment Successor Agency; providing staff support to the governing board and its Oversight Board, managing the Recognized Obligation Payment Schedule process, and monitoring compliance with the Long-Range Property Management Plan; including annual audit of financial transactions
- Maintains update of Master Fee Schedule

- Prepares annual debt compliance reporting
- Ensures tax assessments for special districts, garbage, and taxes are placed on property tax rolls
- Responds to local, State, and Federal information requests; including SB90 reimbursements, sales tax audits, property tax requests, Measure C reimbursements
- Provides technical support and analysis of various contract agreements and joint powers authority arrangements
- Supports information requests from the Rent Stabilization Board
- Implements various GASB reporting requirements

Budget, Forecasting, and Planning, Cash Management, Treasury and Debt Management

- Tracks historical transactions and prepares projected data for analysis and financial forecasting (transferred from CMO)
- Coordinates and communicates with all departments regarding services, contracts, regulatory, and other financial planning needs
- Monitors cash flow, including cash flow projections, investments, and quarterly investment reporting
- Performs periodic monthly cash reconciliation and interest allocation
- Monitors debt covenants and compliance, and manages debt analysis and issuance
- Manages cost allocation plan and related updates to user fee study
- Provides analysis for update of budget adjustments and status of multi-year projects
- Strategizes and provides analysis for employee negotiations

Accounting, Internal Controls, and Purchasing

- Processes general accounting transactions, payroll preparation, including application of payroll and benefits law, accounts payable and receivables functions and monitoring
- Monitors and applies various Federal and State labor law, pension, and health benefits law including the CalPERS pension pools and the Affordable Care Act
- Monitors and applies various Internal Revenue Service law
- Processes and approves purchase orders and monitors compliance with purchasing ordinance
- Responsible for internal control environment and external auditing functions of the City
- Maintains the integrity of the financial management system reporting structure

Municipal Services

- Administers the local Business License Tax
- Provide technical support regarding placement of a City-sponsored tax measure on the November 2018 ballot for approval/consideration by East Palo Alto voters.
- Assist departments with the purchase, lease, or disposition and development of real property assets of the City
- Performs the Risk Management function including actuarial studies, annual property statement renewals, and administering policies
- Manages the City's Cal-Card program

Status of Department Staffing and Functionality

The department is benefitted by a hard-working and loyal staff. Over the years, the department has experienced both internal and external increases in reporting and regulatory responsibility with a low corresponding increase in staff size. Additionally, under the current organizational structure and workload, the department also increasingly has supported other City departments with analytical requirements and responsibilities. This shift either must be temporary, or the department will need to engage in reorganization, including staff increases, in order to continue to achieve objectives.

The department executes transaction requirements in a timely manner, often at the expense of long-term planning functions such as policy and internal control improvement, contract and purchasing management, and implementation of service-improvements such as credit card processing or improved policy procedures.

Several major legislative reporting and processing changes continue to increase burden on the department and it is technically demanding to keep pace with GASB reporting changes, new State legislation, as well as, implementing current practices in banking, investment, budgeting, and popular financial reporting.

POLICE DEPARTMENT WORK PLAN 2018

Purpose: To provide police patrol and investigations services 24 hours per day, 7 days per week to protect persons and property. To preserve the peace throughout the City and provide effective community-oriented policing law enforcement services.

Staffing and Resources: The divisions of the Police Department consist of Administration, Investigations and Operations. The Department currently has a staffing level of 46.5 funded positions (36 sworn, 10.5 civilian), including (6) Part-time Community Service Aides performing Parking Enforcement and other special community projects. The department also has (1) Part-time Cold Case Detective that is funded by a grant.

Authorized Strength:

Administration Division: 8
Investigation Division: 10.5 (6 CSA's, 1 Cold Case Detective, all part time)
Operations Division: 28
Vacancies: 0

Positions:

Administration Division

Police Chief (1)
Administration Service Manager (1)
Police Property Clerk (1)
Police Records Clerk I/II (3)
Police Records Supervisor (1)
Police Sergeant Advance (1)

Investigations Division

Police Commander (1)
Police Officers (4)
Police Officer/Cold Case/PT (1) - Part Time
Community Service Officer (1)
Community Service Aides (6) - Part Time

Operations Division.....

Police Commander (1)
Police Sergeant (4)
Police Officers (24)

TOTAL (46.5)

The major priority projects for the Police Department in 2018 are the following:

1) Potential Restructuring of Police Department, Staffing and Space Needs

Description: Continue assessing the viability of an Organizational Restructuring of the Department to expand level of services, pending sales tax measure revenue generation. This plan would require adding three (3) police officer positions: Two Sergeants and a special victims Detective. These additional positions will allow the department to be reorganized and create a mid-day shift (11am to 7pm) that will double the number of officers on patrol daily from 11am to 5pm. This will help maintain response times, reduce crimes, and allow for a more efficient staffing plan for the patrol division. In addition, the department needs an additional Records Clerk position to manage the increased workload of the Department. 141 Demeter’s lease expires on October 31st, 2020, PD needs a permanent facility to secure its safe long term operations.

2) Implementation of Body Worn Cameras

Description:

Equipping members with body worn cameras that memorialize the actions of people involved in an incident (officers, suspects, witnesses, etc.) will provide the department another tool, on par with most of the law enforcement agencies in the County, to improve accountability and quality of service as mentioned in the San Mateo County Grand Jury report.

In 2017, a project implementation team was formed with direction from the City Manager and assistance from the City Attorney, City of EPA Information Technology support staff, and the command staff of the police department. As a result of the team meeting, a tentative implementation plan and schedule was developed. In early 2018, the project implementation team will present its findings to Council in a staff report.

Tentative Implementation Plan and Schedule

Body-Worn Camera Implementation Plan	SCHEDULE								
	2016			2017				2018	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Draft Plan to City Council									
Advise to Public of the Plan									
Policy Development (draft)									
Request for product information									
Pilot field testing									
Performance Review/Feedback									
Purchase agreement									
Staff Training & Implementation									

3) Implementation and Acquisition of Electronic Conductive Devices

Description: Council directed the police the police department to research equipping police officers with electronic conductive devices (Tasers). Staff researched the use, impact, results, training, cost, and purchasing options for electronic conductive devices (Tasers), a San Mateo County Civil Grand Jury report highlighting that the East Palo Alto Police Department is the only city in the County without Tasers. Below is a tentative implementation plan and schedule.

Tentative Implementation Plan and Schedule

Conductive Electronic Devices Implementation Plan	SCHEDULE								
	2016			2017				2018	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Received direction from Council to use ECD's									
Request vendors' information									
Review SMC Grand Jury Report									
Local Agency Feed back									
Fiscal Analysis									
Policy Development (draft)									
Present to Council									

4) Supporting Policy Discussion regarding Cannabis Regulation

Description: It is now legal to smoke and ingest cannabis in California. The East Palo Alto Police Department will work in partnership with the City Manager, City Attorney, Planning Department to address regulation of cannabis in East Palo Alto.

Status: This will be an ongoing project and the amount of time needed is unclear.

Schedule: After future Council study sessions, the police department will work with other city agencies to address the questions, concerns, and directives of the Council.

5) Procuring an Emergency Generator for Police Department Facility

Description: Currently, the Police Department has no source of emergency power and when there is an electrical outage, our facilities are rendered inoperable. This can be resolved by installing an emergency generator at 141 Demeter. A Load assessment of the facility needs to be completed to present a solution for Council consideration.

Status: PD is coordinating with Public Works to determine 141 Demeter energy needs.

Schedule: To be developed in coordination with Public Works.

The day to day operations of the Police Department cover three divisions (Operations, Investigations, & Administration), among their duties are:

Operations:

1. Complete Major Accident Investigation Team (MAIT) training
2. Complete the study of Body worn camera use, policies, and case law
3. Assigned patrol rifles for improved maintenance and accountability
4. Continue Crisis Intervention Training (CIT) for Officers and Sergeants
5. Conduct a Force on Force training exercise
6. Conduct an Active Shooter training exercise
7. Acquire Body Worn Cameras
8. Receive certification to be a United States GI Bill approved training facility to improve recruitment of military veterans to become police officers

Investigations:

1. Review registered sex offender files
2. Support City Council discussion on new Marijuana laws
3. Send detectives to relevant training for handling special victims crimes
4. Administer test for future detective assignments
5. Move the Property & Evidence from 2415 University to 219 Demeter.
6. Train new CSA on proper procedures related to citations & reports.
7. Provide gang awareness training to community groups
8. Study of conductive energy device (Taser) as a less than lethal force option

Administration:

1. Complete review of existing policies and creation of a new Lexipol policy manual
2. Ongoing RIMS Training for Officers
3. Provide crossing training to all Records Staff
4. Continue to upgrade our Records Information Systems (Rims) with current modules to expedite police records
5. Provide Customer Service training for all record staff
6. Train our CSA's in records systems
7. Provide community outreach with Records staff
8. Continue to support Police Services with staff and supplies for public events
9. Conduct "Work Place Violence Training"
10. Hire an additional Records Clerk
11. Complete update Property & Evidence purge
12. Reduce Gun Inventory with current court orders

Other Police Department efforts include:

- Maintaining the Police Department fully staffed;
- Enhance police officers' skills, regarding Risk Management to mitigate liability.
- Work with other City departments to improve neighborhood "quality of life" issues: abandoned vehicles, graffiti, and other nuisances.

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Financial Plan

Introduction

This section presents the multi-year financial plan, including a description of City policies used to manage City financial practices for a projected five-year fiscal period.

Multi-Year Financial Plan

The financial plan for the General Fund contains:

1. **Fund Structure:** A description of the fund's purpose, including major services to be financed, major sources of revenues and major sources of expenditures. The General Fund is reported on a modified accrual basis. This system recognizes revenue received in the reporting period and expenditures, plus un-liquidated obligations during the same period.
2. **Financial Plan Summary:** A brief summary and assessment of the ability to meet the goal of fiscal resiliency to the current period.
3. **Multi-Year General Fund Projection and Assumptions:** This document will be separately presented to Council.

Financial Policies and Strategies

The financial and resource allocation policies, which are intended to guide the City Council's discussions, are presented in this section. The City Council implements a multi-year financial plan, including financial policies, in order to 1) stabilize the workforce, 2) insure consistent and continued quality services to the residents of East Palo Alto, and 3) to avoid the occurrence of future structural deficits.

The City Council has supported the multi-year financial planning process in order to proactively plan for the management of resources and to address financial challenges in a planned and methodical manner.

The Fund Structure

The General Fund represents the source of funds which accounts for general purpose government services to the citizens. While some services are provided by Special Revenue Funds, if such revenues fall short of expenses, the services generally will be supported by General Fund dollars if appropriate and necessary.

Major Services

The major services financed by the General Fund include:

- a. Public Safety services including community policing, criminal investigations, parking enforcement and contracted dispatch and animal control services.
- b. Maintenance of facilities, signs, graffiti abatement, public right-of-way.
- c. Building Inspection, permitting, and code enforcement, engineering and planning services.
- d. Parks, trees, landscaping and median maintenance.
- e. Limited community programs and senior services.
- f. General government support for services.
- g. Capital Improvement Project funding.

Major Sources and Uses

The major General Fund revenue sources and expenditures uses by category of the General Fund and the percent that each is projected to contribute in Fiscal Year 2018-19 are represented below.

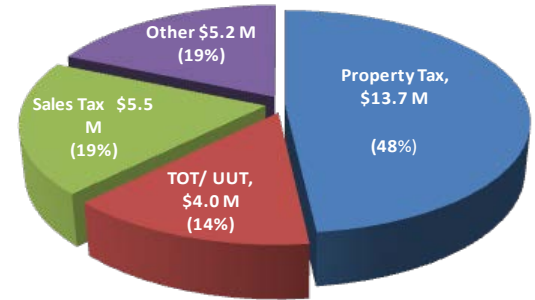
Major sources of revenue include property, sales, and transient occupancy and utility user tax which comprise approximately 81% of all General Fund sources.

Major expenditure uses include personnel, purchased services, supplies and materials and other. Personnel costs comprise approximately 68% of all General Fund

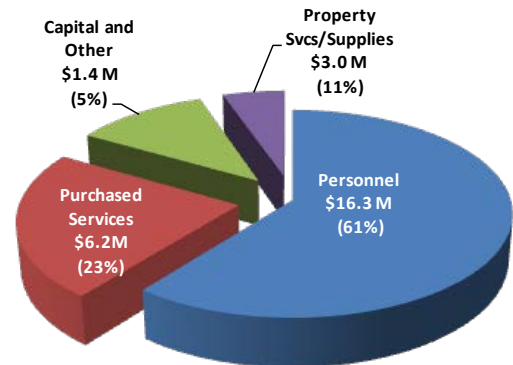
expenditures and do not include transfers to other funds of \$1.03M.

Fiscal Year 2018-19 Budget Statistics

Major Revenues (before transfer-in)



Major Expenditures (excluding transfer-out)



2018-19 FINANCIAL PLAN **SUMMARY**

Ideally, in each year of the Financial Plan, revenue growth will outpace expenditures. Most local revenues are generally reflective of the economy and subject to the volatility of the industries and businesses operating within our boundaries. More importantly, the restricted ability of local government to increase resources easily and timely means that resource generation and control is difficult to manage. In such a constrained operating environment, local government must strive for new and efficient ways to deliver necessary and desired services. City Council approved financial policies are intended to provide guidance on the fiscal plan. Long-term fiscal policy and budget development is determined through a set of Council budget parameters adopted in FY 2006-07. The major components include:

1. Personnel costs will be fully supported by two local taxes: property and sales tax. This places an automatic maximum amount that can be spent to pay for labor costs. **The FY 2018-19 Budget meets this parameter as the result of unprecedented property tax revenue growth and a voter-approved sales tax measure.**
2. Overtime costs will not exceed 5% of total personnel costs. **The FY 2018-19 budgeted overtime costs are approximately 5.4% of personnel costs. These costs represent the lowest ratio of overtime to personnel in recent years. Most incurred overtime is Public Safety and current numbers reflect assumptions of sustained improvement in crime statistics.**
3. Medical Insurance benefit costs will not exceed 7% of total personnel costs. **In the FY 2018-19 Budget, health insurance costs are approximately 9.2% of personnel costs. This is partially the result of a concerted strategy to improve employee attraction and this metric as a standard requires revision.**

Another important policy objective is to ensure that at the end of each fiscal year, cash is added to the General Fund reserve until a 15% target minimum level is achieved. **The City has met the minimum target and additional reserves were utilized to fund**

matching costs for critical capital expenditures over the period.

Utilizing fiscal policies, together with concerted efforts toward expanding revenue resources (including supporting commercial development that creates jobs and generates economic activity), increasing local water resources, diversity, and security; and maintaining careful, considered expenditure control will provide improved ability to plan and deliver sustained or improved service levels in the future.

Beginning in fiscal year 2018-19, the cycle for long-term strategic planning will be initiated prior to the Council's Strategic Planning Retreat held in January or February of each fiscal year. This will enable the Council to have a fully updated long-term financial plan prior to setting strategy and goals for the ensuing budget cycle. The next long-term financial plan will be issued approximately January 2019.

Financial Policies

Introduction

The financial plan policies for City Council consideration and deliberation are intended to set forth the framework for the overall fiscal management of the City. Operating independently of changing circumstances and conditions, these policies assist the City Council's decision-making process; and, guide the Administration's implementation of the policies. These policies also provide guidelines for evaluating both current activities and proposals for future programs.

The following policies establish long-standing principles, traditions and best practices which are intended to guide the City and maintain financial stability over an extended period.

General Financial Goals

- 1. To maintain a financially viable city that can support an appropriate and adequate level of municipal services.*
- 2. To maintain financial flexibility in order to adapt to changes in local and regional economic conditions.*
- 3. To maintain and enhance the fiscal condition for the City.*

Managing the Budget Policies

1. The City will establish and maintain at least the minimum cash reserve levels established by policy (15% of operating costs).
2. To ensure that the two largest revenue sources cover the largest expenditure-type; personnel costs shall not exceed property and sales tax revenues.
3. Medical insurance shall continue to be a shared responsibility between the City and employees. Such expenditures shall be no more than 7% of personnel costs. Overtime expenditures shall be no more than 5% of personnel costs. Total worker's compensation expenditures shall not increase as a percent of payroll.

4. The City Council shall allocate resources to ensure public safety. As long as this policy is necessary, the resulting impact on the budget will mean other services areas may be reduced.
5. No new or expanded services shall be implemented without implementing trade-offs of expenses or increasing revenue at the same time. This applies to personnel, equipment, and any other peripheral expense associated with the service.
6. The City shall seek regional, state and federal partners to support the public safety efforts, and major discretionary capital projects which remain unfunded. Co-production of services with our citizens, the business community, and other local jurisdictions shall be encouraged.
7. The City shall update and maintain a scheduled level of maintenance and replacement of its infrastructure and fleet. Expansions to the fleet must be offset through reductions in other equipment and/or costs.
8. The City shall support investments which reduce future operating costs.
9. The City will adopt a balanced budget for the ensuing fiscal year by June 30th of each year.
10. Current year expenditures should be supported by estimated current year revenues. One time revenues should not be used for ongoing costs, but should instead be used appropriately for one time expenditures or to strengthen fund reserves.
11. The City shall develop an annual operating budget realistically and conservatively, projecting revenues and expenditures for the current and forthcoming fiscal year.
12. During the budget development process, the City shall examine existing base budget thoroughly to assure the cost effectiveness of the services or programs provided.
13. The City shall include the cost of new capital projects in the final adopted budget.
14. The City will avoid balancing the budget at the

expense of future budgets, unless the use of reserves is expressly authorized by the City Council.

15. In the instance where the City Council has authorized the use of Fund Balance and/or transfers from reserves as a financing source to balance an annual budget, the City Manager shall have the authority to reduce or bypass the use of such resource upon the determination that the actual results of operations will not require the partial or full use of the previously authorized appropriation.
16. The City shall prepare the budget on a basis consistent with generally accepted accounting principles (GAAP) except that encumbrances are considered budgetary expenditures in the year of the commitment to purchase and capital project expenditures are budgeted on a project length basis.

Revenue Policies

1. The City will make every attempt to maintain a diversified and stable revenue system to shelter it from short-term fluctuations in any one revenue source.
2. The City will study and communicate the need for major revenue sources if such is determined necessary in order to maintain long-term fiscal stability.
3. The City will establish all user-charges and fees at a level related to the full cost of providing the service (operating, direct, indirect, and capital).
4. The City will review fees / charges periodically and will design or modify revenue systems to include provisions that allow charges to grow at a rate that keeps pace with the cost of providing the service.
5. The City shall estimate its revenues conservatively using reasonable estimates and sound professional judgment, with sensitivity to both local and regional economic conditions.
6. The City will not use "one-time" or limited duration revenue sources for ongoing operating expenses. "One-time" revenues will be used for one-time expenditures only, including capital

- outlay and improvement projects, and reserves.
7. The City will actively pursue federal, state, and other grant opportunities when deemed appropriate.
 8. Before accepting any grant, the City will thoroughly consider the implications in terms of ongoing obligations that will be required in connection with acceptance of said grant.

Expenditure Policies

1. The City will maintain levels of service, as determined by the City Council, to provide for the public well-being and safety of the residents of the community.
2. Annual budgeted operating expenditures shall not exceed annual operating revenues, including City Council authorized use of fund balance and/or reserves.
3. Various levels of administrative control are utilized to maintain the budget's integrity. Program/division/project managers are accountable for respective program budgets. Department heads are accountable for the department level of control for fund-types within their departments. Finance oversees the general level of accountability related to budgetary integrity through systems of checks and balances and various internal controls.
4. The City shall maintain fixed assets and replace them as necessary, taking into account cost-benefit considerations.

Cash Management/Investment Policies

1. City departments are directed to deposit all funds received on a schedule agreed by the Finance Department; minor funds collected shall be deposited within the week of collection.
2. The City shall manage its investment portfolio in a prudent and diligent manner based on the following criteria and in this order: 1) safety of invested funds; 2) maintenance of sufficient liquidity to meet cash flow needs; and, 3) attainment of reasonable yields consistent with the above priorities.

3. Generally Accepted Accounting Principles require that differences between the costs of the investment portfolio and the fair value of the securities be recognized as income or losses in a government's annual financial report. The City shall not consider these variances as budgetary resources or uses of resources unless the securities are sold before maturity or the values of the investments are permanently impaired.

Reserve Policies

1. The City will establish and maintain a reserve in the General Fund which represents 15% of the funds expenditures for financial emergencies and for unforeseen operating or capital needs as determined by the City Council
2. The City will maintain a revenue reserve in the Rent Stabilization Fund which represents 15% of the Fund expenditures.
3. The City will periodically review and update reserve guidelines, to ensure that the City has sufficient fund balances and reserve balances to adequately provide for emergencies, economic uncertainties, unforeseen operating or capital needs, economic development opportunities, and cash flow requirements.
4. The City Manager may, at his/her discretion, recommend the use of fund balance deemed necessary and prudent to reduce unfunded liabilities and to fund capital and emergency needs, subject to City Council approval.
5. The City will maintain Equipment and Vehicle Replacement reserves to enable the timely replacement of vehicles and depreciable equipment.
6. The City will maintain Information Technology Replacement reserves for costs associated with the timely replacement of computers, technology infrastructure, and major software applications.
7. The City will maintain a Self-Insurance reserve, which together with any purchased insurance policies, appropriately protects the City.
8. The City will establish and maintain reserve

levels for Debt Service Funds as prescribed by the bond covenants authorized at the time of debt issuance.

9. Reserves designated in the General Fund for investment portfolio market gains/losses will be calculated and adjusted annually at appropriate levels.

Accounting, Auditing and Financial Reporting Policies

1. An independent audit shall be performed annually.
2. The City will produce annual financial reports in accordance with Generally Accepted Accounting Principles (GAAP) as outlined by the Governmental Accounting Standards Board (GASB).
3. The City will maintain a strong internal audit capability.
4. The City will prepare periodic operating budget revenue and expenditure status reports and distributed them to all division managers and department directors so that they may effectively and continuously evaluate their financial performance in a timely manner.
5. The City will solicit an RFP for audit services no less frequently than every five (5) years. Additionally, an audit firm may be retained for a maximum of 2 consecutive five-year terms. The Finance Director will review the qualifications of prospective firms and make a recommendation to the City Council.

Capital Budget Policies

1. The City shall prepare a five-year Capital Improvement Program (CIP) annually for the approval of the City Council. Sufficient financial commitment shall be made to protect the City's investment in its public facilities (buildings, streets, parks, equipment, etc.) to assure the preservation of these assets.
2. The CIP will identify potential funding sources for each adopted capital project, prior to submitting adopted projects to the City Council for approval. When appropriate, the CIP will seek other funding sources such as State and

Federal funds, private funds and leverage these funding sources with public money.

3. The funding for the first year of the five-year CIP will be legally appropriated as a component of the annual budget process. Unidentified funding for future projects in the CIP has not been secured or legally authorized and is therefore subject to change.
4. The ongoing maintenance and operating costs of any capital improvements will be evaluated prior to the approval of any capital improvement project.
5. Each CIP project will be assigned a Project Manager whose responsibilities are to monitor all phases of the project to ensure timely completion of the project and compliance with the project budget and all regulations and laws.

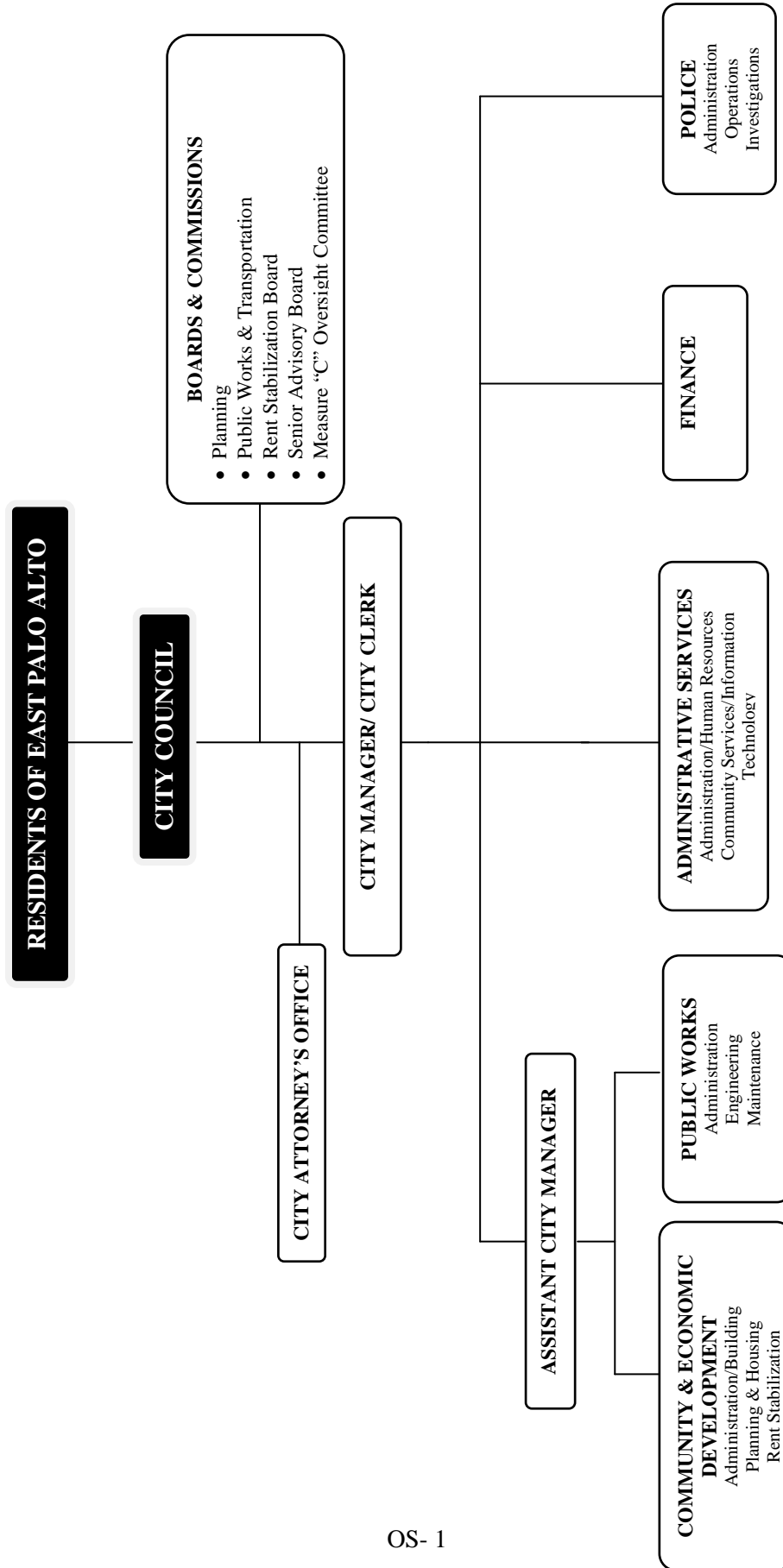
Capital Assets Policies

1. Capital assets, which include equipment, furniture, land, buildings, improvements, and other infrastructure are reported in the applicable governmental or business-type activities in the Government-Wide Financial Statements in accordance with GAAP.
2. The capitalization threshold for capital assets is \$5,000 per item. Groups of items with individual values of less than \$5,000 each will not be capitalized unless the items are anticipated to be replaced in the aggregate.
3. Adequate insurance will be maintained on all capital assets.

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CITY OF EAST PALO ALTO
CITY ORGANIZATIONAL CHART

FY 2018-2019 Budget



**CITY OF EAST PALO ALTO
TEN-YEAR POSITION SUMMARY**

Fiscal Year 2009-2010 Through Fiscal Year 2018-2019

	FY 09-10	FY 10-11	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19
Policy & Executive										
City Council	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
City Clerk's Office	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
City Attorney's Office	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
City Manager's Office	4.00	4.00	3.00	3.00	4.00	4.00	4.00	3.00	3.00	3.00
Sub-Total	13.00	13.00	12.00	12.00	13.00	13.00	13.00	12.00	12.00	12.00
Administrative Support Services										
Finance Department	6.00	6.00	5.00	5.00	5.00	5.00	5.00	6.00	6.00	6.00
Administrative Services	-	-	-	-	-	-	1.00	3.00	3.00	3.00
Community Services	-	-	2.00	2.00	4.00	5.13	4.38	4.38	4.15	4.15
Human Resources	3.00	3.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Sub-Total	9.00	9.00	9.00	9.00	11.00	12.13	12.38	15.38	15.15	15.15
Community and Economic Dev										
Administration Division	2.00	2.00	5.50	5.50	7.00	8.00	4.00	4.00	5.90	5.90
Building Services Division	5.00	5.00	3.00	3.00	4.00	5.00	6.00	7.00	7.00	7.00
Economic Development	-	-	5.00	5.00	2.00	-	-	-	-	-
Redevelopment	6.00	6.00	-	-	-	-	-	-	-	-
Planning Division	5.00	5.00	3.00	3.00	4.00	3.00	3.00	4.00	4.00	4.00
Housing Division (Rent Stabilization)	1.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	3.00	3.00
Senior Services Division	-	-	1.63	1.63	1.63	-	-	-	-	-
Sub-Total	19.00	20.00	20.13	20.13	20.63	18.00	15.00	17.00	19.90	19.90
Community Services										
Administration	2.00	2.00	-	-	-	-	-	-	-	-
Recreation Services Division	1.00	2.00	-	-	-	-	-	-	-	-
Senior Services Division	1.38	1.38	-	-	-	-	-	-	-	-
Sub-Total	4.38	5.38	-	-	-	-	-	-	-	-
Housing Services										
Administration	2.00	2.00	-	-	-	-	-	-	-	-
Housing Development	1.00	1.00	-	-	-	-	-	-	-	-
Sub-Total	3.00	3.00	-	-	-	-	-	-	-	-
Public Safety										
Administration Division	9.00	9.00	10.50	10.50	10.50	8.00	8.00	8.00	9.00	9.00
Investigations Division	5.00	5.00	5.00	5.00	5.00	8.00	8.00	8.25	8.25	8.25
Operations Division	34.00	34.00	32.00	32.00	32.00	28.00	29.50	29.00	29.00	29.00
Sub-Total	48.00	48.00	47.50	47.50	47.50	44.00	45.50	45.25	46.25	46.25
Public Works										
Administration Division	2.00	2.00	-	-	-	-	2.00	2.00	2.00	2.00
Engineering Division	6.00	6.00	5.00	5.00	6.00	6.00	5.00	5.00	5.00	5.00
Maintenance Division	12.00	12.00	11.00	11.00	11.00	12.00	12.00	12.00	12.00	12.00
Sub-Total	20.00	20.00	16.00	16.00	17.00	18.00	19.00	19.00	19.00	19.00
TOTAL POSITIONS	116.38	118.38	104.63	104.63	109.13	105.13	104.88	108.63	112.30	112.30

CITY OF EAST PALO ALTO
Detail Position Listing

	FTE's FY 2018-19		FTE's FY 2018-19
Policy and Executive			
City Council			
a. Council Member	5		
City Attorney's Office			
a. City Attorney	1		
b. Deputy City Attorney I/II	1		
c. Legal Secretary	<u>1</u>		
	3		
City Manager's Office			
a. City Manager	1		
b. Assistant City Manager	1		
c. Executive Assist. to City Mgr	<u>1</u>		
	3		
City Clerk's Office			
a. Deputy City Clerk	1		
Administrative Services			
Administration Division			
a. Administrative Svcs Director	1		
b. Grants Coordinator	1		
c. Office Assistant	<u>1</u>		
	3		
Community Services Division			
a. Community Programs Manager	1		
b. Recreation Leader II (2 PT)	0.9		
c. Van Driver (2 PT)	1		
d. Nutrition Site Supervisor (1 PT)	0.75		
e. Kitchen Aide (1 PT)	<u>0.5</u>		
	4.15		
Human Resources Division			
a. HR Manager	1		
b. HR Assistant	<u>1</u>		
	2		
Finance			
a. Finance Director	1		
b. Financial Services Manager	1		
c. Payroll Accountant	1		
d. Accountant II	1		
e. Accounting Technician I/II	<u>2</u>		
	6		
Community and Economic Development			
Administration Division			
a. Community Dev Director	1		
b. Management Analyst	2		
c. Secretary II	1		
d. Office Assistant	1		
e. Community Service Aide (3 PT)	<u>0.9</u>		
	5.9		
Building Services Division			
a. Chief Building Official	1		
b. Building Inspector	1		
c. Building Permit Technician	2		
d. Code Enforcement Officer II	<u>3</u>		
	7		
Housing Division			
a. Housing Administrator		1	
b. Housing Project Manager		1	
c. Housing Counselor II		<u>1</u>	
		3	
Planning Division			
a. Planning Manager		1	
b. Senior Planner		1	
c. Associate Planner		1	
d. Assistant Planner		<u>1</u>	
		4	
Public Works			
Administration Division			
a. Public Works Director		1	
b. Admin. Assistant		<u>1</u>	
		2	
Engineering Division			
a. City Engineer		1	
b. Senior Engineer		1	
c. Associate Engineer		1	
d. Assistant Civil Engineer		1	
e. Public Works Inspector		<u>1</u>	
		5	
Maintenance Division			
a. Division Manager		1	
b. Maintenance Worker I		4	
c. Maintenance Worker II		4	
d. Maintenance Worker III		2	
e. Secretary I		<u>1</u>	
		12	
Police			
Administration Division			
a. Police Chief		1	
b. Administrative Manager		1	
c. Police Property Officer		1	
d. Police Record's Clerk I/II		4	
e. Police Records Supervisor		1	
f. Police Sergeant Advance		<u>1</u>	
		9	
Investigations Division			
a. Commander		1	
b. Police Officer		4	
c. Community Services Officer		1	
d. Community Service Aide (4 PT)		1.8	
e. Cold Case Investigator		<u>0.45</u>	
		8.25	
Operations Division			
a. Commander		1	
b. Police Sergeant		4	
c. Police Officer		<u>24</u>	
		29	
Total FTE's			<u><u>112.3</u></u>

East Palo Alto at a Glance

ABOUT EAST PALO ALTO

The City of East Palo Alto is located in the heart of the Silicon Valley and is uniquely positioned to maximize its potential as a significant city in the region. Founded by speculators and farmers in 1849, the town was originally named Ravenswood. For most of its history, the area regarded as East Palo Alto was 13 square miles and part of unincorporated San Mateo County. As such, it did not have an official boundary until it incorporated in 1983. However, the area was much larger than the City's current 2.5 square miles. Large tracts, including most of the commercial tax base, were annexed by Menlo Park and Palo Alto from the later 1940's to the early 1960's. This trend was halted in 1983 when the then predominantly African American residents incorporated to gain local control over land use and municipal services.

The original inhabitants were Ohlone/Costanoan Native Americans. Spanish ranchers took over, followed by an influx of speculators and settlers of European origin. For a time, Chinese laborers were prevalent. Asian and Italian flower growers preceded the flood of middle-class migrants drawn to post-war housing developments. East Palo Alto later became the largest African American community on the Peninsula. Today, due to significant demographic changes during the last decade, the City of 30,545 possesses a broad multi-ethnic profile that includes a majority Latino and growing Pacific Islander population.

Trade has alternately focused on ranching, transportation and shipping, brick manufacturing, farming, servicing travelers of Bayshore Highway and Dumbarton Bridge, and flower growing. At present there is a mix of industrial, agricultural and commercial businesses – with an anticipated increase in commercial business.

The signs of continuing and rapid transition are clearly evident; and none more so than the rapid changes brought about by close proximity the most successful businesses in Silicon Valley. However, some things have remained constant, namely the characteristics that have always attracted people to the area: multi-cultural acceptance; a beautiful, rural-like setting; centralized location; proximity to transportation and the San Francisco Bay; as well as some of the most enviable weather in the nation.

During the year, the City began construction on a \$12 million Pedestrian Overcrossing project. This remarkable project represents a collaboration of the community, Federal, State and local grantors, and City government and – most significantly – joins the west and east neighborhoods of East Palo Alto.

Today, the City of East Palo Alto is closer than ever to realizing its potential. As the City continues to make progress and become more self-sufficient, there is evidence that East Palo Alto will be able to strike a harmonious balance between a goal of establishing a sound commercial base and the dream of an idyllic community.

CITY GEOGRAPHY

The City of East Palo Alto is located in the Silicon Valley, approximately 29 miles south of San Francisco and 19 miles north of San Jose. The City occupies 2.5 square miles. The latest estimates place the City's population at 30,545.

CITY AUTHORITY

The City of East Palo Alto is a general law city under California State law and its rights, powers, privileges, authority, and functions are established through the State constitution and the State Law. The powers granted to California cities by state statute include the power to: sue and be sued; purchase, receive by gift or bequest and hold land, make contracts and purchases and hold personal property necessary to the exercise of its powers, manage, sell, lease, or otherwise dispose of its property as the interest of its inhabitants require; levy and collect taxes authorized by law and exercise such other and further powers as may be especially conferred by law or as may be necessarily implied from those expressed.

The City provides a wide range of services to its residents including public protection through the Police Department, the construction and maintenance of streets and infrastructure, community development, financial management, and administrative services.

THE CITY COUNCIL

The members of the City Council are elected by the voters to serve overlapping four-year terms. The Mayor is elected by, and from, the City Council for a one year term. The City Council sets policy and exercises the legislative authority of the City. By City Ordinance, the City Council holds meetings on the first and third Tuesdays of every month and at other times as, in the opinion of the City Council, the public interest may require.

The current City Council members and the dates upon which their respective terms expire are as follows:

Mayor: Ruben Abrica, Nov. 2018

Vice Mayor: Lisa Gauthier, Nov. 2020

Council Member: Larry Moody, Nov. 2020

Council Member: Carlos Romero, Nov. 2020

Council Member: Donna Rutherford, Nov. 2018

REDEVELOPMENT AGENCY

On December 29, 2011, the California Supreme Court delivered its decision in the *California Redevelopment Association v. Matosantos* case, finding ABx1 26 (the "Dissolution Act") largely constitutional and AB1x 27 unconstitutional. The Court's bifurcated decision meant that all California redevelopment agencies, including the Redevelopment Agency of the City of East Palo Alto (the "Redevelopment Agency"), dissolved under the constitutional Dissolution Act, and none had the opportunity to opt into continued existence under the unconstitutional Alternative Redevelopment Program Act. As a result, the Redevelopment Agency was dissolved on February 1, 2012.

SUCCESSOR AGENCY

On January 10, 2012, the Council took formal action to form the Successor Agency. As of February 1, 2012, the Successor Agency (Agency) was created as a result of the dissolution of the Redevelopment Agency (RDA) as indicated in the previous section above. With oversight transferring to a County Oversight Board July 1, 2018, the Successor Agency is charged with the responsibility of paying off former RDA existing debts and winding down the activities and affairs of the former redevelopment agency through the sale and disposition of its assets and properties.

ADMINISTRATION AND MANAGEMENT

East Palo Alto is a Council-Manager form of government. The City Council appoints the City Manager who appoints all other City officials except the City Attorney who is also appointed by the Council, and is charged with overseeing the City's daily operations. Many boards, commissions, and committees assist the City Council and Administration in carrying out various aspects and functions of city government.

Demographic Information

Government

Incorporated July 1, 1983

East Palo Alto is a General Law Council/ Manager City governed by a five-member City Council with a Council elected Mayor.

Number of City Managers since incorporation: 21

Full-time Employees

FY 2018-19¹

City Council.....	5.00
City Manager.....	3.00
City Attorney.....	3.00
City Clerk.....	1.00
Finance.....	6.00
Administrative Services.....	9.28
Community Development.....	19.90
Police.....	46.25
Public Works.....	19.00
Total.....	112.43

Demographics

Land Area: 2.5 square miles

Population²

1990.....	23,570
2000.....	29,506
2005.....	29,431
2010.....	28,155
2015.....	29,137

Population by Gender²

Male.....	51.0%
Female.....	49.0%

Population by Age Group³

Under 5 years.....	8.1%
5 to 9 years.....	7.8%
10 to 14 years.....	8.4%
15 to 19 years.....	10.4%
20 to 24 years.....	9.6%
25 to 34 years.....	16.3%
35 to 44 years.....	15.1%
45 to 54 years.....	11.3%
55 to 59 years.....	4.0%
60 to 64 years.....	2.1%
65 to 74 years.....	3.4%
75 to 84 years.....	2.7%
85 years and over.....	0.5%

Median Age: 28.8

Racial Composition ³

Hispanic or Latino (of any race).....	63.50%
Black or African American.....	12.40%
Nativan Hawaiian and Other Pacific Islander.....	9.90%
White.....	7.60%
Asian.....	3.70%
Other.....	2.90%

Level of Education Attainment of people 25 years ad older

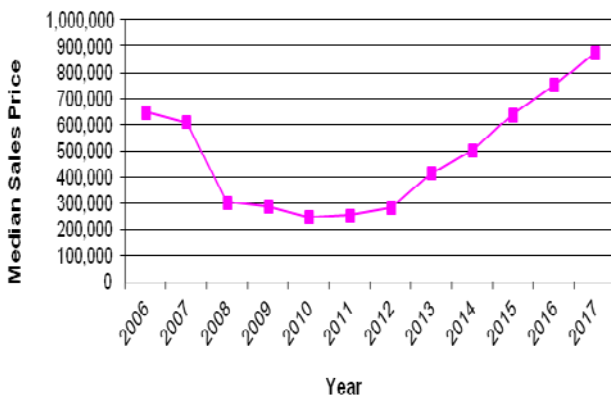
High School Graduate.....	25.40%
Less than 9 th Grade.....	22.60%
Some College (no Degree).....	20.50%
Grades 9-12 (no diploma).....	10.90%
Bachelor's Degree.....	11.30%
Graduate/ Professional Degree.....	5.80%
Associate Degree.....	3.70%

Median Household Income

(In 2016)³: \$55,170

Median Sales Price for Single Family Residences ⁴

\$874,575 year 2017



Notes

¹ Finance Department, City of East Palo Alto
² State of CA, Department of Finance estimates
³ US Census Bureau, 2009-2010 American Community Survey
⁴ San Mateo County Associations of Realtors

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FINANCIAL SUMMARY

FY 2018-2019 Budget

The Financial Summary section contains the following adopted budget and financial summary information:

Budget Information:

- **Citywide Budget Overview**
 - FY 2018-19 Budget by Fund Category

- **General Fund Overview**
 - FY 2018-19 General Fund and Internal Reserve Funds Budget

- **Special Revenue Funds Overview**
 - FY 2018-19 Special Revenue Funds Budget
 - FY 2018-19 Community and Housing Programs Budget
 - FY 2018-19 Transportation and Infrastructure Programs Budget

- **Enterprise Funds Overview**
 - FY 2018-19 Enterprise Fund Budget

- **Trust and Agency Funds Overview**
 - FY 2018-19 Agency Trust Budget

Financial Information:

- General Fund Revenues by Major Category
- General Fund Expenditures by Major Category

CITYWIDE BUDGET OVERVIEW

The Citywide budget overview provides a one-page view across all the various fund-types operating within the City. This view gives a full perspective of total revenues by character and total expenditures by department across all City funds. The City operates the following fund-group types:

- **General and Internal Reserve Funds**
- **Special Revenue Funds**
- **Capital Improvement Projects Fund**
- **Enterprise Funds**
- **Agency Trust Funds**

CITY OF EAST PALO ALTO
FY 2018-2019 BUDGET BY FUND CATEGORY

	General Fund and Internal Reserves	Special Revenue Funds	Capital Improvement Projects Fund	Enterprise Funds	City Operating Total	Successor Agency Trust Funds	GRAND TOTAL
Revenues							
Property Tax	13,725,000	681,500	-	-	14,406,500	2,700,000	17,106,500
Sales Tax	5,500,000	620,000	-	-	6,120,000	-	6,120,000
Utility Users Tax	1,520,000	-	-	-	1,520,000	-	1,520,000
Transient Occupancy Tax	2,475,000	625,000	-	-	3,100,000	-	3,100,000
Other State and Local Taxes	15,000	1,373,900	-	-	1,388,900	-	1,388,900
Franchise Fees	1,050,000	-	-	-	1,050,000	-	1,050,000
Licenses, Fees, and Permits	1,550,000	680,000	-	840,000	3,070,000	-	3,070,000
Fines and Forfeitures	455,000	-	-	-	455,000	-	455,000
Use of Money and Property	345,000	208,400	-	383,500	936,900	7,500	944,400
Grants and Intergovernmental	75,000	145,900	-	-	220,900	-	220,900
Charges for Current Services	1,731,000	4,500	-	2,330,000	4,065,500	-	4,065,500
Other Miscellaneous	19,000	67,500	-	265,000	351,500	9,000	360,500
Total Revenues	28,460,000	4,406,700	-	3,818,500	36,685,200	2,716,500	39,401,700
Expenditures							
City Council	258,500	-	-	-	258,500	-	258,500
City Attorney	782,740	20,000	-	25,000	827,740	-	827,740
City Clerk	326,760	-	-	-	326,760	-	326,760
City Manager	927,000	-	60,000	-	987,000	-	987,000
Administrative Services	1,954,040	583,500	-	-	2,537,540	-	2,537,540
Finance	1,130,130	5,070	-	3,000	1,138,200	5,000	1,143,200
Community Development	4,136,650	725,300	-	108,150	4,970,100	-	4,970,100
Public Works	3,647,110	999,900	420,000	170,800	5,237,810	-	5,237,810
Police	11,634,510	105,700	50,000	-	11,790,210	-	11,790,210
Non-Departmental							
Capital/Technology	1,225,000	570,000	280,000	-	2,075,000	-	2,075,000
Debt Service	-	-	-	-	-	1,691,850	1,691,850
Insurance and Settlements	450,000	-	-	-	450,000	-	450,000
Other Non-Departmental	1,042,010	270,800	-	2,434,000	3,746,810	79,500	3,826,310
Overhead Allocation	(662,000)	456,000	-	161,000	(45,000)	45,000	-
Total Expenditures	26,852,450	3,736,270	810,000	2,901,950	34,300,670	1,821,350	36,122,020
Net Sources / (Uses)	1,607,550	670,430	(810,000)	916,550	2,384,530	895,150	3,279,680
Other Financing Sources / (Uses)							
Transfers In	-	579,050	450,000	-	1,029,050	1,810,000	2,839,050
Transfers Out	(1,029,050)	-	-	-	(1,029,050)	(1,810,000)	(2,839,050)
Net Operating Transfers	(1,029,050)	579,050	450,000	-	-	-	-
Change in Fund Balance	578,500	1,249,480	(360,000)	916,550	2,384,530	895,150	3,279,680
Other Changes	-	-	-	-	-	885,000	885,000
Projected Fund Balance							
July 01, 2018 Balance	18,507,955	17,976,845	7,309,090	2,757,800	46,551,690	(27,679,520)	18,872,170
June 30, 2019 Balance	19,086,455	19,226,325	6,949,090	3,674,350	48,936,220	(25,899,370)	23,036,850

GENERAL FUND OVERVIEW

General Fund

The General Fund is the primary operating fund of the City. The fund accounts for all revenues, expenditures, transfers, and other activity not accounted for in other City funds.

General Fund revenues are derived from five major sources including, Property Tax, Sales and Use Tax, Transient Occupancy Tax (TOT), Utility Users Tax, and Franchise Fees. Collectively, these taxes account for approximately 88% of total General Fund revenues. General Fund uses primarily consist of personnel, contract and purchase services, supplies and materials, and other expenditures.

General Fund Reserve Sub-Funds

Information Services

The Information Services Fund accounts for the accumulation of resources to acquire or improve information technology equipment and software, and fund the Redwood City IT services contract.

Equipment and Vehicle Replacement

The Equipment and Vehicle Replacement Fund accounts for the accumulation of resources set aside for the purchase and replacement of operating equipment and vehicles within each department. The fund also accounts for payments related to capitalized lease debt for the previous purchase of police vehicles.

Insurance Reserve

The Insurance Reserve Fund accounts for the accumulation of resources to cover the costs of unanticipated loss and settlements due to property, casualty, or liability exposures and to cover the costs of PLAN JPA insurance coverage in excess of the City's \$100,000 self-insured limit per liability claim.

Contingency Reserve

The Contingency Reserve is a separate sub-fund created to hold cash reserves of a minimum of 15% of total General Fund budgeted expenditures.

Community Development/Benefit

The Community Development Fund accounts for pass-through development fee activity and temporary staffing needs anticipated when the water connection moratorium is lifted. The net deficit funding is intended only for a temporary period and not as on-going appropriations in the related divisions, unless fully offset by new revenue sources. The Fund also tracks community benefit payments by developers.

CITY OF EAST PALO ALTO
FY 2018-2019 GENERAL FUND AND RESERVES BUDGET

	General Fund F010	Info Services Reserve F011	Equipment and Vehicle Reserve F012	Insurance Reserve F013	Contingency Reserve F015	Community Development F016	Total
Revenues							
Property Tax	13,725,000	-	-	-	-	-	13,725,000
Sales Tax	5,500,000	-	-	-	-	-	5,500,000
Utility Users Tax	1,520,000	-	-	-	-	-	1,520,000
Transient Occupancy Tax	2,475,000	-	-	-	-	-	2,475,000
Other State and Local Taxes	15,000	-	-	-	-	-	15,000
Franchise Fees	1,050,000	-	-	-	-	-	1,050,000
Licenses, Fees, and Permits	1,400,000	-	-	-	-	150,000	1,550,000
Fines and Forfeitures	455,000	-	-	-	-	-	455,000
Use of Money and Property	345,000	-	-	-	-	-	345,000
Grants and Intergovernmental	75,000	-	-	-	-	-	75,000
Charges for Current Services	456,000	-	-	-	-	1,275,000	1,731,000
Other Miscellaneous	19,000	-	-	-	-	-	19,000
Total Revenues	27,035,000	-	-	-	-	1,425,000	28,460,000
Expenditures							
City Council	163,500	95,000	-	-	-	-	258,500
City Attorney	732,740	-	-	50,000	-	-	782,740
City Clerk	226,760	100,000	-	-	-	-	326,760
City Manager	927,000	-	-	-	-	-	927,000
Administrative Services	1,589,040	365,000	-	-	-	-	1,954,040
Finance	1,130,130	-	-	-	-	-	1,130,130
Community Development	2,811,650	-	-	-	-	1,325,000	4,136,650
Public Works	3,097,110	5,000	70,000	-	-	475,000	3,647,110
Police	11,382,310	45,000	207,200	-	-	-	11,634,510
Non-Departmental							
Capital/Technology	1,000,000	225,000	-	-	-	-	1,225,000
Debt Service	-	-	-	-	-	-	-
Insurance and Settlements	-	-	-	450,000	-	-	450,000
Other Non-Departmental	992,010	50,000	-	-	-	-	1,042,010
Overhead Allocation	(662,000)	-	-	-	-	-	(662,000)
Total Expenditures	23,390,250	885,000	277,200	500,000	-	1,800,000	26,852,450
Net Sources / (Uses)	3,644,750	(885,000)	(277,200)	(500,000)	-	(375,000)	1,607,550
Other Financing Sources / (Uses)							
Transfers In	-	893,500	277,200	500,000	250,000	375,000	-
Transfers Out	(3,324,750)	-	-	-	-	-	(1,029,050)
Net Operating Transfers	(3,324,750)	893,500	277,200	500,000	250,000	375,000	(1,029,050)
Change in Fund Balance	320,000	8,500	-	-	250,000	-	578,500
Other Changes	-	-	-	-	-	-	-
Projected Fund Balance							
July 01, 2018 Balance	11,317,620	1,346,710	364,705	1,879,150	3,500,000	99,770	18,507,955
June 30, 2019 Balance	11,637,620	1,355,210	364,705	1,879,150	3,750,000	99,770	19,086,455

SPECIAL REVENUE FUNDS OVERVIEW

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted or committed to expenditures for specified purposes, other than major capital projects or debt service. GASB 54 clarifies that the *proceeds of specific a revenue source*, whether legal or administrative, is the foundation for classification of a Special Revenue Fund.

Grant Programs

Public Safety Grants

The Public Safety Grants Fund accounts for revenues and expenditures for the Citizen Options for Public Safety Program and Supplemental Law Enforcement Services Fund (COPS/SLESF).

Federal and State Grants

Federal and State Grants Fund accounts for the Congregate Meals/Senior Nutrition and Senior Transportation grant programs passed through the San Mateo County Office of Aging and Adult Services.

Local Grants

The Local Grants Funds account for all other local grant activity not accounted for in separate funds.

Community and Housing Programs

Rent Stabilization

The Rent Stabilization Fund accounts for revenues and expenditures to support rent stabilization programs and activities.

Housing in Lieu

The Housing in Lieu Fund accounts for developer fees and deposits in lieu of providing affordable housing and 10% of the Transient Occupancy Tax (TOT) collected as approved by voters and the City Council to fund affordable housing initiatives.

Housing Assistance

The Housing Assistance Fund accounts for first time home buyer assistance program activities.

CYSFF

The CYSFF Fund accounts for 10% of the Transient Occupancy Tax (TOT) collected as approved by voters and the City Council to fund various nonprofit organizations related to child and family services.

Measure C

The Measure C Fund accounts for remaining monies of a special parcel tax adopted by voters in November 2006 and ended in FY 16-17. Revenues collected from the special parcel tax are used to support violence prevention and public safety intervention programs.

SPECIAL REVENUE FUNDS OVERVIEW

Silicon Valley Community Foundation

The Silicon Valley Community Foundation (SVCF) Fund accounts for gift monies from SVCF for the purpose of incentivizing the affordable housing development within the City. The monies are further restricted to pay a minimum amount of \$500,000 for an affordable housing manager position over a period of five years. Up to \$2,000,000 was authorized for an inter-fund loan to provide monies to purchase certain water rights. The loan will be repaid with water capacity fees funded by new development.

Housing Successor Agency

The Housing Successor Agency Funds account for activities related to the housing assets assumed by the City as Housing Successor to the former Redevelopment Agency. The funds are restricted to housing-related activities for low and moderate income needs.

Transportation and Infrastructure Programs

State Gas Tax

The State Gas Tax Fund is required by State law to account for California State gasoline taxes. This tax is primarily distributed to cities based on population and proportion of registered vehicles. Gas tax funds must be spent on public street-related maintenance and capital expenditures.

Measure A

The Measure A Fund accounts for a countywide one-half percent sales and use tax to support countywide (San Mateo County) transportation projects and programs.

NPDES

The NPDES Fund accounts for revenues and expenditures from assessments levied on property in the City in compliance with the provision of the National Pollutant Elimination System for prevention of storm water and flood related damage.

Park in Lieu

The Park in Lieu Fund accounts for all fees collected from developers to be used to acquire new parkland or fund capital improvements at existing recreational and park facilities which will serve residents of new development.

Public Improvements in Lieu

The Public Improvements in Lieu Fund account for fees collected from developers in lieu of public infrastructure improvements including, but not limited to, curbs, storm drains, sidewalks, pavement, and street trees installation per City standards.

SPECIAL REVENUE FUNDS OVERVIEW

Lighting District

The City maintains one Lighting District, the Ravenswood Highway Lighting District, to cover the costs of lighting on and around public streets, highways, parks, and alleys. The Lighting District Fund accounts for all revenues (assessments) and expenditures associated with the District.

Drainage District

The City maintains one Drainage District, the East Palo Alto Maintenance Drainage District, to cover the costs of providing storm drainage and flood control management services for areas related to the district boundary. The Drainage District Fund accounts for all revenues (assessments) and expenditures associated with the District.

CITY OF EAST PALO ALTO
FY 2018-2019 SPECIAL REVENUE FUNDS BUDGET

	Public Safety Grants F213	Federal and State Grants F215	Local Grants F230	Sub-total Grant Programs	Community and Housing Programs	Transporation and Infrastructure Programs	Total
Revenues							
Property Tax	-	-	-	-	-	681,500	681,500
Sales Tax	-	-	-	-	-	620,000	620,000
Utility Users Tax	-	-	-	-	-	-	-
Transient Occupancy Tax	-	-	-	-	625,000	-	625,000
Other State and Local Taxes	-	-	-	-	-	1,373,900	1,373,900
Franchise Fees	-	-	-	-	-	-	-
Licenses, Fees, and Permits	-	-	-	-	520,000	160,000	680,000
Fines and Forfeitures	-	-	-	-	-	-	-
Use of Money and Property	-	-	-	-	136,400	72,000	208,400
Grants and Intergovernmental	100,000	43,500	-	143,500	-	2,400	145,900
Charges for Current Services	-	-	-	-	-	4,500	4,500
Other Miscellaneous	-	-	-	-	67,500	-	67,500
Total Revenues	100,000	43,500	-	143,500	1,348,900	2,914,300	4,406,700
Expenditures							
City Council	-	-	-	-	-	-	-
City Attorney	-	-	-	-	-	20,000	20,000
City Clerk	-	-	-	-	-	-	-
City Manager	-	-	-	-	-	-	-
Administrative Services	-	43,500	-	43,500	540,000	-	583,500
Finance	-	-	-	-	2,340	2,730	5,070
Community Development	-	-	-	-	644,800	80,500	725,300
Public Works	-	-	-	-	-	999,900	999,900
Police	105,700	-	-	105,700	-	-	105,700
Non-Departmental							
Capital/Technology	-	-	-	-	-	570,000	570,000
Debt Service	-	-	-	-	-	-	-
Insurance and Settlements	-	-	-	-	-	-	-
Other Non-Departmental	-	-	-	-	26,500	244,300	270,800
Overhead Allocation	-	-	-	-	241,000	215,000	456,000
Total Expenditures	105,700	43,500	-	149,200	1,454,640	2,132,430	3,736,270
Net Sources / (Uses)	(5,700)	-	-	(5,700)	(105,740)	781,870	670,430
Other Financing Sources / (Uses)							
Transfers In	-	-	-	-	200,000	379,050	579,050
Transfers Out	-	-	-	-	-	-	-
Net Operating Transfers	-	-	-	-	200,000	379,050	579,050
Change in Fund Balance	(5,700)	-	-	(5,700)	94,260	1,160,920	1,249,480
Other Changes	-	-	-	-	-	-	-
Projected Fund Balance							
July 01, 2018 Balance	95,705	95,730	241,155	432,590	11,749,400	5,794,855	17,976,845
June 30, 2019 Balance	90,005	95,730	241,155	426,890	11,843,660	6,955,775	19,226,325

CITY OF EAST PALO ALTO
FY 2018-2019 COMMUNITY AND HOUSING PROGRAMS BUDGET

	Rent Stabilization F204	Housing TOT / In-Lieu F207	Housing Assistance F209	CYSFF TOT F231	Measure C F232	Silicon Valley Community F233	Housing Successor Agency F926-928	Total
Revenues								
Property Tax	-	-	-	-	-	-	-	-
Sales Tax	-	-	-	-	-	-	-	-
Utility Users Tax	-	-	-	-	-	-	-	-
Transient Occupancy Tax	-	312,500	-	312,500	-	-	-	625,000
Other State and Local Taxes	-	-	-	-	-	-	-	-
Franchise Fees	-	-	-	-	-	-	-	-
Licenses, Fees, and Permits	520,000	-	-	-	-	-	-	520,000
Fines and Forfeitures	-	-	-	-	-	-	-	-
Use of Money and Property	5,000	50,000	10,000	6,400	-	-	65,000	136,400
Grants and Intergovernmental	-	-	-	-	-	-	-	-
Charges for Current Services	-	-	-	-	-	-	-	-
Other Miscellaneous	7,500	-	-	-	-	-	60,000	67,500
Total Revenues	532,500	362,500	10,000	318,900	-	-	125,000	1,348,900
Expenditures								
City Council	-	-	-	-	-	-	-	-
City Attorney	-	-	-	-	-	-	-	-
City Clerk	-	-	-	-	-	-	-	-
City Manager	-	-	-	-	-	-	-	-
Administrative Services	-	-	-	190,000	350,000	-	-	540,000
Finance	-	-	-	-	2,340	-	-	2,340
Community Development	382,800	-	11,400	-	-	156,000	94,600	644,800
Public Works	-	-	-	-	-	-	-	-
Police	-	-	-	-	-	-	-	-
Non-Departmental								
Capital/Technology	-	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-
Insurance and Settlements	-	-	-	-	-	-	-	-
Other Non-Departmental	11,500	15,000	-	-	-	-	-	26,500
Overhead Allocation	206,500	17,600	-	16,900	-	-	-	241,000
Total Expenditures	600,800	32,600	11,400	206,900	352,340	156,000	94,600	1,454,640
Net Sources / (Uses)	(68,300)	329,900	(1,400)	112,000	(352,340)	(156,000)	30,400	(105,740)
Other Financing Sources / (Uses)								
Transfers In	-	-	-	-	-	-	200,000	200,000
Transfers Out	-	-	-	-	-	-	-	-
Net Operating Transfers	-	-	-	-	-	-	200,000	200,000
Change in Fund Balance	(68,300)	329,900	(1,400)	112,000	(352,340)	(156,000)	230,400	94,260
Other Changes	-	-	-	-	-	-	-	-
Projected Fund Balance								
July 01, 2018 Balance	617,640	8,255,325	224,915	727,175	674,575	350,185	899,585	11,749,400
June 30, 2019 Balance	549,340	8,585,225	223,515	839,175	322,235	194,185	1,129,985	11,843,660

CITY OF EAST PALO ALTO
FY 2018-2019 INFRASTRUCTURE PROGRAMS BUDGET

	State Gas Tax F201	Measure A F202	NPDES F203	Park In Lieu Fees F206	Public Imp In Lieu Fees F208	Lighting District F221	Drainage District F222	Total
Revenues								
Property Tax	-	-	-	-	-	576,500	105,000	681,500
Sales Tax	-	620,000	-	-	-	-	-	620,000
Utility Users Tax	-	-	-	-	-	-	-	-
Transient Occupancy Tax	-	-	-	-	-	-	-	-
Other State and Local Taxes	1,293,900	-	80,000	-	-	-	-	1,373,900
Franchise Fees	-	-	-	-	-	-	-	-
Licenses, Fees, and Permits	-	-	130,000	-	30,000	-	-	160,000
Fines and Forfeitures	-	-	-	-	-	-	-	-
Use of Money and Property	20,000	20,000	-	9,000	3,000	20,000	-	72,000
Grants and Intergovernmental	-	-	-	-	-	2,000	400	2,400
Charges for Current Services	-	-	4,500	-	-	-	-	4,500
Other Miscellaneous	-	-	-	-	-	-	-	-
Total Revenues	1,313,900	640,000	214,500	9,000	33,000	598,500	105,400	2,914,300
Expenditures								
City Council	-	-	-	-	-	-	-	-
City Attorney	-	-	15,000	-	-	2,500	2,500	20,000
City Clerk	-	-	-	-	-	-	-	-
City Manager	-	-	-	-	-	-	-	-
Administrative Services	-	-	-	-	-	-	-	-
Finance	-	2,080	650	-	-	-	-	2,730
Community Development	-	-	79,300	-	-	1,200	-	80,500
Public Works	486,600	10,000	171,800	-	-	154,400	177,100	999,900
Police	-	-	-	-	-	-	-	-
Non-Departmental								
Capital/Technology	570,000	-	-	-	-	-	-	570,000
Debt Service	-	-	-	-	-	-	-	-
Insurance and Settlements	-	-	-	-	-	-	-	-
Other Non-Departmental	72,500	-	167,100	-	-	3,800	900	244,300
Overhead Allocation	121,700	11,500	7,800	-	-	61,700	12,300	215,000
Total Expenditures	1,250,800	23,580	441,650	-	-	223,600	192,800	2,132,430
Net Sources / (Uses)	63,100	616,420	(227,150)	9,000	33,000	374,900	(87,400)	781,870
Other Financing Sources / (Uses)								
Transfers In	64,500	-	227,150	-	-	-	87,400	379,050
Transfers Out	-	-	-	-	-	-	-	-
Net Operating Transfers	64,500	-	227,150	-	-	-	87,400	379,050
Change in Fund Balance	127,600	616,420	-	9,000	33,000	374,900	-	1,160,920
Other Changes	-	-	-	-	-	-	-	-
Projected Fund Balance								
July 01, 2018 Balance	2,086,045	1,250,330	3,145	267,945	139,250	1,968,505	79,635	5,794,855
June 30, 2019 Balance	2,213,645	1,866,750	3,145	276,945	172,250	2,343,405	79,635	6,955,775

ENTERPRISE FUNDS OVERVIEW

Enterprise Funds account for City operations financed and operated in a manner similar to a private business enterprise. Government-run enterprises often charge user-fees to support the service or product provided. These activities are not necessarily self-supporting and may rely on general government subsidies to fully fund operations, though it is the intent of the City to fund these services primarily through user charges.

Garbage Collection Fund

Garbage collection services and recycling in East Palo Alto is provided by Recology of San Mateo County. Revenues are primarily derived from solid waste service fees.

The Garbage Collection Fund accounts for activities associated with residential and commercial garbage collection, street sweeping, litter control, and related services. Fees for street sweeping and litter control are collected by the South Bay Waste Management Authority (SBWMA) from both residential and commercial customers. The City collects residential solid waste collection fees directly from the property tax rolls and remits such fees to Recology of San Mateo County for services provided to those customers.

Water Service Funds

Most of East Palo Alto's water connections (about 80%) are served by the City's water system that is operated and leased by American Water Enterprises (AWE). The remaining connections are served by Palo Alto Park Mutual Water Company or O'Connor Tract Co-op Water Company. American Water Enterprises supplies the City's water from the San Francisco Public Utilities Commission.

The Water Service Fund accounts for the lease operating revenue and connection fees from American Water Services and uses such fees for expenses and capital improvement costs related to the City's operating obligations under the agreement with AWE.

The fund group also includes the Capital and Meter Surcharges approved in July 2015.

CITY OF EAST PALO ALTO
FY 2018-2019 ENTERPRISE FUNDS BUDGET

	Water Lease F510	Water Capital F511	Water Meter F512	Water Capacity F513	Garbage Service F520	Total
Revenues						
Property Tax	-	-	-	-	-	-
Sales Tax	-	-	-	-	-	-
Utility Users Tax	-	-	-	-	-	-
Transient Occupancy Tax	-	-	-	-	-	-
Other State and Local Taxes	-	-	-	-	-	-
Franchise Fees	-	-	-	-	-	-
Licenses, Fees, and Permits	-	540,000	300,000	-	-	840,000
Fines and Forfeitures	-	-	-	-	-	-
Use of Money and Property	360,000	10,000	5,000	-	8,500	383,500
Grants and Intergovernmental	-	-	-	-	-	-
Charges for Current Services	-	-	-	-	2,330,000	2,330,000
Other Miscellaneous	-	-	-	-	265,000	265,000
Total Revenues	360,000	550,000	305,000	-	2,603,500	3,818,500
Expenditures						
City Council	-	-	-	-	-	-
City Attorney	25,000	-	-	-	-	25,000
City Clerk	-	-	-	-	-	-
City Manager	-	-	-	-	-	-
Administrative Services	-	-	-	-	-	-
Finance	-	-	-	-	3,000	3,000
Community Development	16,000	-	-	-	92,150	108,150
Public Works	112,400	-	-	-	58,400	170,800
Police	-	-	-	-	-	-
Non-Departmental						
Capital/Technology	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Insurance and Settlements	-	-	-	-	-	-
Other Non-Departmental	27,500	-	-	-	2,406,500	2,434,000
Overhead Allocation	43,500	-	-	-	117,500	161,000
Total Expenditures	224,400	-	-	-	2,677,550	2,901,950
Net Sources / (Uses)	135,600	550,000	305,000	-	(74,050)	916,550
Other Financing Sources / (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Net Operating Transfers	-	-	-	-	-	-
Change in Fund Balance	135,600	550,000	305,000	-	(74,050)	916,550
Other Changes	-	-	-	-	-	-
Projected Fund Balance						
July 01, 2018 Balance	983,800	510,000	500,000	-	764,000	2,757,800
June 30, 2019 Balance	1,119,400	1,060,000	805,000	-	689,950	3,674,350

TRUST FUNDS OVERVIEW

Trust Funds are a fiduciary fund-type used to report trust arrangements. Most trust funds relate to arrangements whereby principal and income of the funds benefit individuals, private organizations, or other governments.

Successor Agency Private-Purpose Trust Fund

The Successor Agency Private-Purpose Trust Fund accounts for the accumulation of resources to be used for payments on an “Enforceable Obligations Schedule” which primarily is a mechanism devised by the State of California through which assets, liabilities, and property of the former Redevelopment Agency are accounted, disposed, and disbursed for the benefit of taxing agencies.

Pension Trust Fund

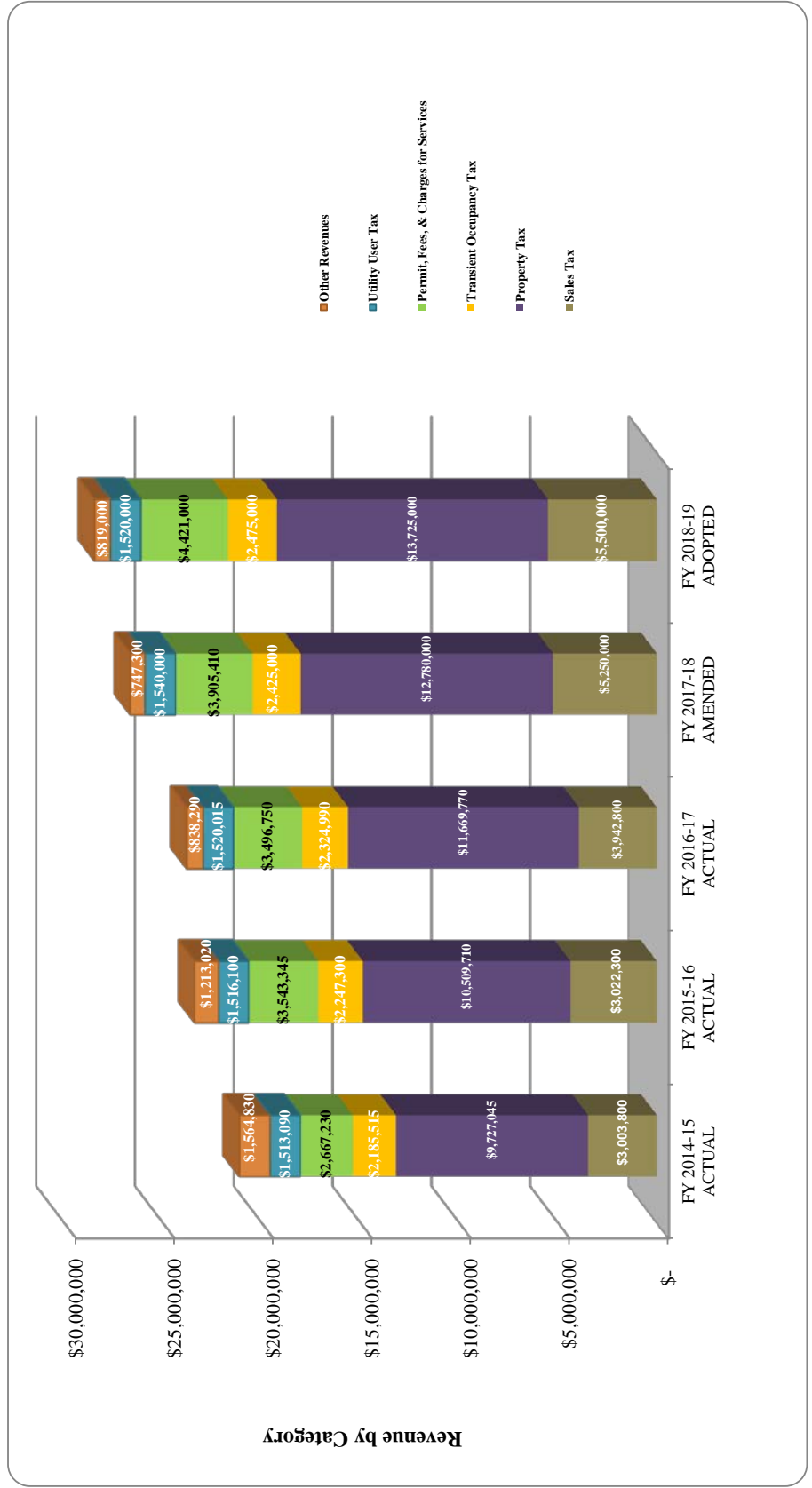
The Pension Trust Fund accounts for employee assets of the City 401k Plan. While the Plan is no longer the City’s main retirement plan, the City continues to administer and pay fees for trust administration for active employees within the Plan.

CITY OF EAST PALO ALTO
FY 2018-2019 AGENCY TRUST BUDGET

	Tax Increment F921-923	Debt Service F984	Total Successor Agency	Pension Trust	Total Agency and Trust
Revenues					
Property Tax	2,700,000	-	2,700,000	-	2,700,000
Sales Tax	-	-	-	-	-
Utility Users Tax	-	-	-	-	-
Transient Occupancy Tax	-	-	-	-	-
Other State and Local Taxes	-	-	-	-	-
Franchise Fees	-	-	-	-	-
Licenses, Fees, and Permits	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-
Use of Money and Property	-	7,500	7,500	-	7,500
Grants and Intergovernmental	-	-	-	-	-
Charges for Current Services	-	-	-	-	-
Other Miscellaneous	-	-	-	9,000	9,000
Total Revenues	2,700,000	7,500	2,707,500	9,000	2,716,500
Expenditures					
City Council	-	-	-	-	-
City Attorney	-	-	-	-	-
City Clerk	-	-	-	-	-
City Manager	-	-	-	-	-
Administrative Services	-	-	-	-	-
Finance	-	5,000	5,000	-	5,000
Community Development	-	-	-	-	-
Public Works	-	-	-	-	-
Police	-	-	-	-	-
Non-Departmental					
Capital/Technology	-	-	-	-	-
Debt Service	120,000	1,571,850	1,691,850	-	1,691,850
Insurance and Settlements	-	-	-	-	-
Other Non-Departmental	60,000	10,500	70,500	9,000	79,500
Overhead Allocation	-	45,000	45,000	-	45,000
Total Expenditures	180,000	1,632,350	1,812,350	9,000	1,821,350
Net Sources / (Uses)	2,520,000	(1,624,850)	895,150	-	895,150
Other Financing Sources / (Uses)					
Transfers In	170,000	1,640,000	1,810,000	-	1,810,000
Transfers Out	(1,810,000)	-	(1,810,000)	-	(1,810,000)
Net Operating Transfers	(1,640,000)	1,640,000	-	-	-
Change in Fund Balance	880,000	15,150	895,150	-	895,150
Other Changes	-	885,000	885,000	-	885,000
Projected Fund Balance					
July 01, 2018 Balance	(10,510,305)	(17,169,215)	(27,679,520)	-	(27,679,520)
June 30, 2019 Balance	(9,630,305)	(16,269,065)	(25,899,370)	-	(25,899,370)

GENERAL FUND REVENUES BY MAJOR CATEGORY

	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
Property Tax	\$ 9,727,045	\$ 10,509,710	\$ 11,669,770	\$ 12,780,000	\$ 13,725,000
Sales Tax	\$ 3,471,045	\$ 4,364,565	\$ 3,942,800	\$ 5,250,000	\$ 5,500,000
Transient Occupancy Tax	\$ 2,185,515	\$ 2,247,300	\$ 2,324,990	\$ 2,425,000	\$ 2,475,000
Utility User Tax	\$ 1,513,090	\$ 1,516,100	\$ 1,520,015	\$ 1,540,000	\$ 1,520,000
Permit, Fees, & Charges for Services	\$ 2,667,230	\$ 3,543,345	\$ 3,496,750	\$ 3,905,410	\$ 4,421,000
Other Revenues	\$ 1,564,830	\$ 1,213,020	\$ 838,290	\$ 747,300	\$ 819,000
Total General Fund Revenues*	21,128,755	23,394,040	23,792,615	26,647,710	28,460,000

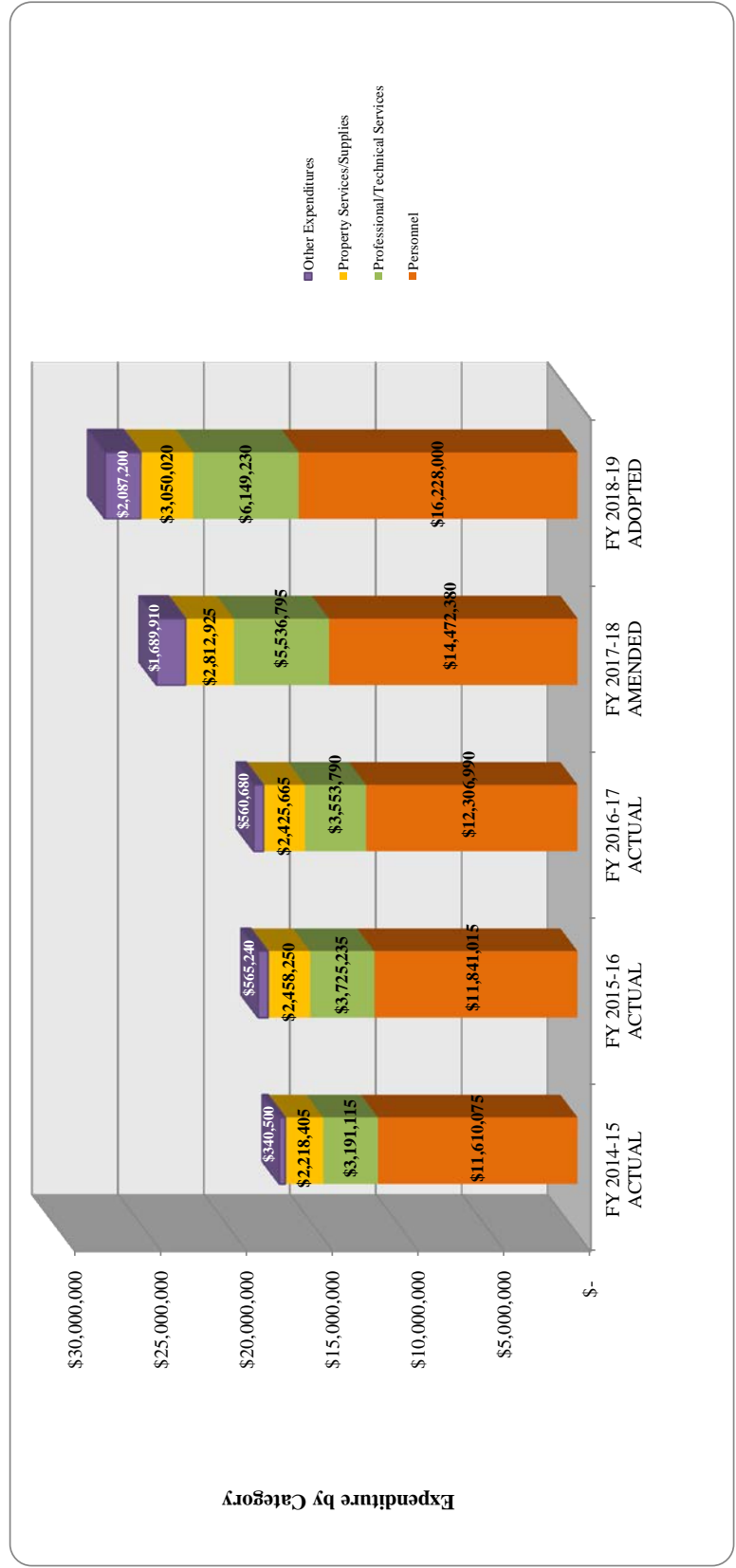


* Excludes Transfer In

GENERAL FUND EXPENDITURES BY MAJOR CATEGORY

	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
Personnel	\$ 11,610,075	\$ 11,841,015	\$ 12,306,990	\$ 14,472,380	\$ 16,228,000
Professional/Technical Services	\$ 3,191,115	\$ 3,725,235	\$ 3,553,790	\$ 5,536,795	\$ 6,149,230
Property Services/Supplies	\$ 2,218,405	\$ 2,458,250	\$ 2,425,665	\$ 2,812,925	\$ 3,050,020
Capital and Other Expenditures	\$ 340,500	\$ 565,240	\$ 560,680	\$ 1,689,910	\$ 2,087,200
Total General Fund Expenditures Before Allocations	\$ 17,360,095	\$ 18,589,740	\$ 18,847,125	\$ 24,512,010	\$ 27,514,450
Overhead Allocation to Other Funds	\$ (836,445)	\$ (855,200)	\$ (738,490)	\$ (661,970)	\$ (662,000)
Total Net General Fund Expenditures*	\$ 16,523,650	\$ 17,734,540	\$ 18,108,635	\$ 23,850,040	\$ 26,852,450

* Excludes Transfers out



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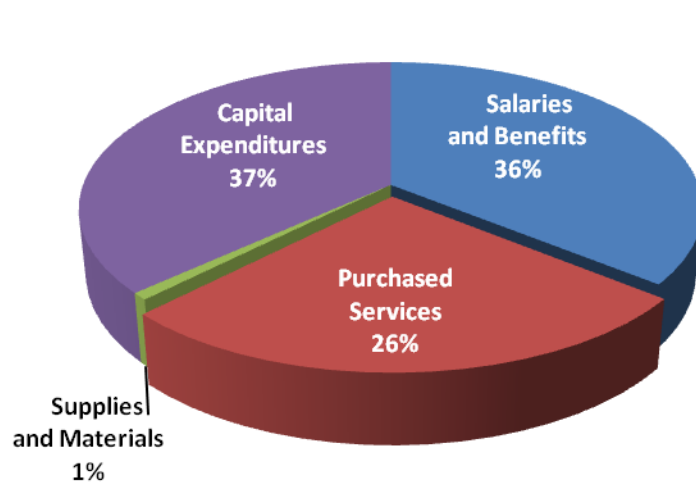
CITY COUNCIL

FY 2018-2019 Budget

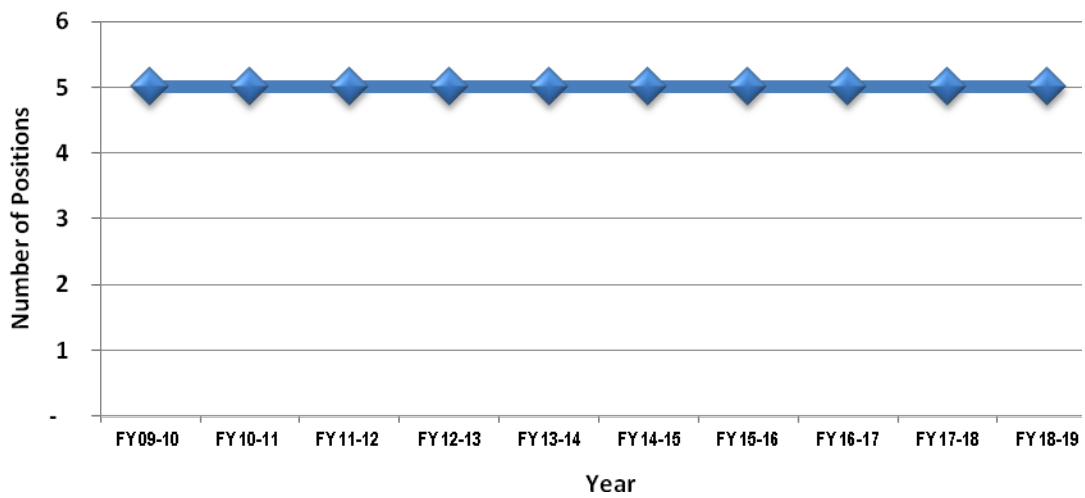
FY 2018-19

Operating	\$258,500
Positions	5

CHARACTER OF EXPENDITURES



AUTHORIZED STRENGTH



CITY COUNCIL

FY 2018-2019 Budget

Department Summary

SOURCES	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
General Fund:					
Assigned Funds	-	-	19,490	500	95,000
Use of Resources	106,680	95,950	101,435	152,165	163,500
TOTAL	106,680	95,950	120,925	152,665	258,500

EXPENDITURES BY DEPARTMENT	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
City Council	106,680	95,650	120,925	152,665	258,500
TOTAL	106,680	95,650	120,925	152,665	258,500

CHARACTER OF EXPENDITURES	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
<u>PERSONNEL</u>					
Salaries and Benefits	61,500	64,220	61,330	90,405	92,400
Subtotal	61,500	64,220	61,330	90,405	92,400
<u>SUPPLIES AND SERVICES</u>					
Purchased Services	44,680	26,720	39,060	59,760	69,100
Supplies and Materials	500	4,710	1,048	2,000	2,000
Capital Expenditures	-	-	19,487	500	95,000
Subtotal	45,180	31,430	59,595	62,260	166,100
TOTAL	106,680	95,650	120,925	152,665	258,500

AUTHORIZED STRENGTH	FY 2014-15 ADOPTED	FY 2015-16 ADOPTED	FY 2016-17 ADOPTED	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
Mayor	1.00	1.00	1.00	1.00	1.00
Vice Mayor	1.00	1.00	1.00	1.00	1.00
Council Member	3.00	3.00	3.00	3.00	3.00
TOTAL	5.00	5.00	5.00	5.00	5.00

CITY COUNCIL

FY 2018-2019 Budget

Department Summary

PURPOSE

The City Council develops and adopts policies that ensure delivery of quality public services to the people of East Palo Alto in order to create a healthy, safe, and prosperous environment.

A five-member Council governs City services for a population of approximately 30,545 residents. Each Council Member is elected at large and serves a four-year term. The Mayor is appointed by the members of the Council and serves a one-year term. The Council convenes in regular session on the 1st and 3rd Tuesdays of each month (except for a recess each year during the month of August), and often holds special meetings and work study sessions throughout the year. All of the meetings are held in the East Palo Alto (EPA) Government Center, located in the City Council Chamber at 2415 University Avenue, and, except those designated as Closed Sessions, all meetings are open to the public.

The Council adopts policies, resolutions and ordinances for City operations and ensures appropriate representation and response to citizen interests. The City Council appoints the City Manager and City Attorney, who report directly to them, and in turn, support the City Council in its policy development functions and carry out the City Council policies and programs.

The Council's strategic priorities, goals and objectives are presented the in the section of the Budget titled, "City Council Strategic Plan".

SIGNIFICANT CHANGES

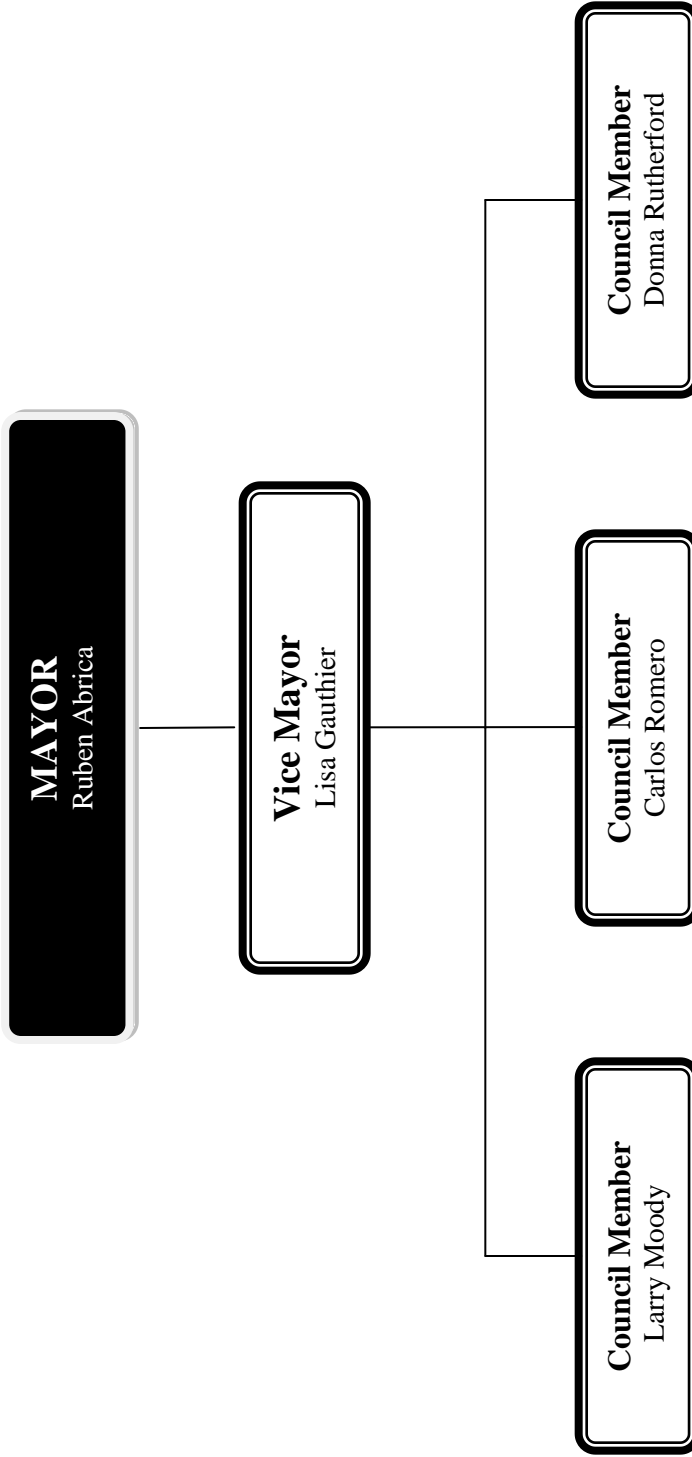
FY 2017-2018 to FY 2018-2019 Adopted:

The decrease of \$1,700 (-1.1%) from the Adopted FY 2017-18 Budget to the Amended FY 2017-18 Budget is due to decreased personnel expenses offset by increased communication and special event costs, such as the State of the City and Strategic Priority retreat.

The increase of \$105,835 (69.3%) from the Amended FY 2017-18 Budget to the Adopted FY 2018-19 Budget is primarily attributed to capital costs for Council Chamber upgrades (\$95,000), and increased costs for health benefits offered to City employees.

Fiscal Year (FY)	Budget	\$ Change From Previous FY	% Change From Previous FY
2017-18 Adopted	\$154,365		
2017-18 Amended	\$152,665	(\$1,700)	-1.1%
2018-19 Adopted	\$258,500	\$105,835	69.3%

CITY COUNCIL
FY 2018-2019 Budget



Total FTE's: 5

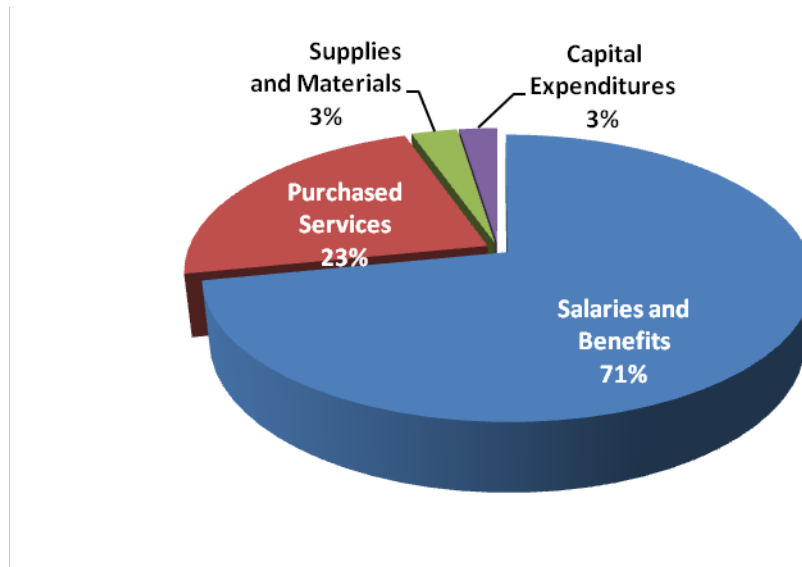
CITY ATTORNEY'S OFFICE

FY 2018-2019 Budget

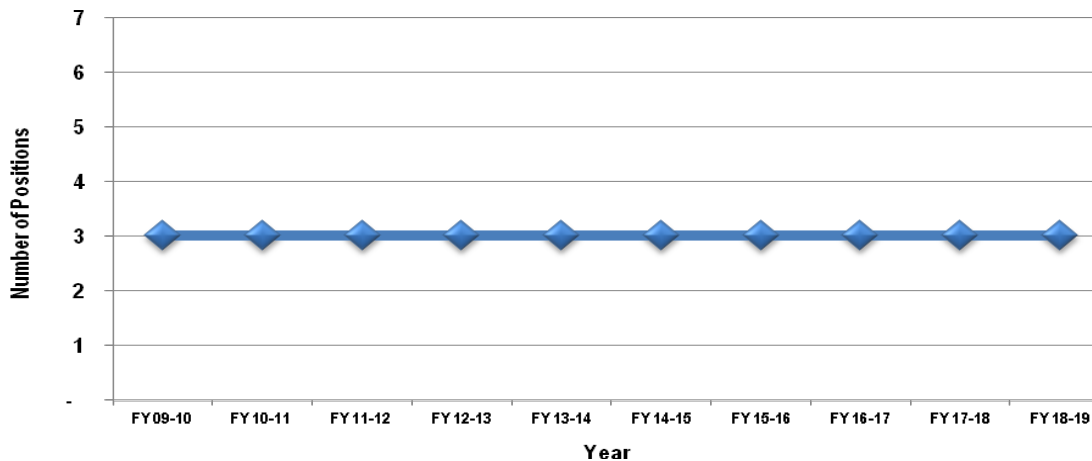
FY 2018-19

Operating \$ 827,740
Positions 3

CHARACTER OF EXPENDITURES



AUTHORIZED STRENGTH



CITY ATTORNEY'S OFFICE

FY 2018-2019 Budget

Department Summary

SOURCES

	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
General Fund:					
Assigned Funds	26,980	24,940	31,850	75,000	50,000
Use of Resources	607,690	647,410	604,750	695,390	732,740
Special Revenue Funds	-	-	4,430	20,000	20,000
Enterprise Funds	-	-	14,450	15,000	25,000
Successor Agency Funds	-	-	1,250	-	-
TOTAL	634,670	672,350	656,730	805,390	827,740

EXPENDITURES BY DEPARTMENT

	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
City Attorney's Office	634,670	672,350	656,730	805,390	827,740
TOTAL	634,670	672,350	656,730	805,390	827,740

CHARACTER OF EXPENDITURES

	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
<u>PERSONNEL</u>					
Salaries and Benefits	461,830	390,497	385,605	501,990	539,300
Subtotal	461,830	390,497	385,605	501,990	539,300
<u>SUPPLIES AND SERVICES</u>					
Purchased Services	163,620	275,555	263,280	294,400	279,440
Supplies and Materials	8,010	6,298	6,680	8,000	8,000
Capital Expenditures	1,210	-	1,165	1,000	1,000
Subtotal	172,840	281,853	271,125	303,400	288,440
TOTAL	634,670	672,350	656,730	805,390	827,740

AUTHORIZED STRENGTH

	FY 2014-15 ADOPTED	FY 2015-16 ADOPTED	FY 2016-17 ADOPTED	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
City Attorney	1.00	1.00	1.00	1.00	1.00
Deputy City Attorney I/II	1.00	1.00	1.00	1.00	1.00
Legal Secretary	1.00	1.00	1.00	1.00	1.00
TOTAL	3.00	3.00	3.00	3.00	3.00

CITY ATTORNEY'S OFFICE

FY 2018-2019 Budget

Department Summary

MISSION STATEMENT

Provide legal advice and representation, consistent with the highest professional and ethical standards, to the City Council, City officers, City employees, and appointed boards, commissions and committees in carrying out the City Council's policies and strategic goals and objectives, and advancing the City's interest in serving the people of East Palo Alto while limiting risk to the entity and costs to the taxpayers.

The role of the City Attorney's Office is to provide advisory and litigation services to the City, as represented by the City Council, City Council appointed boards, commissions and committees, and City departments. The office has a staffing level of 3 positions: City Attorney, Deputy City Attorney and Legal Secretary.

The emphasis in the Fiscal Year 2018-19 budget is the continued delivery of quality professional legal services which promote reliable and useful advice and effective advocacy. The basic services include attendance and advice at public meetings, drafting resolutions and ordinances, providing legal opinions and advice on a wide range of municipal topics, reviewing and drafting legal documents and contracts, providing advice regarding elected and appointed public officials' conflicts of interest, representing the City in litigation before courts and administrative agencies and settling claims and lawsuits based on an impartial evaluation of their merits.

Within each of the basic services provided, the City Attorney's Office undertakes projects that specifically address the City Council's Strategic Plan Goals and Objectives:

- Provide proactive legal advice to the City Council and City staff;
- Give opinions and draft documents that help achieve the City Council's Strategic Plan and the City Manager's priority action items;
- Advise on significant changes in state and federal law and other regulations impacting City operations and programs;
- Present Brown Act, Conflict of Interest, and Public Records Act training to the City staff, boards and commissions, and provide legal advice regarding the same;
- Defend the City's interest in court and administrative hearings and initiate legal action to protect the rights and enhance the quality of life of City residents.
- Provide objective and reasonable interpretation of City Council-adopted policies, state and local laws and other matters, as appropriate;
- Draft ordinances on topics designated as high priority by the City Council;
- Update, revise and add provisions to the Municipal Code and local zoning law as required;

CITY ATTORNEY'S OFFICE

FY 2018-2019 Budget

Department Summary cont.

- Work with the City Manager's Office to reduce exposure to claims, litigation and industrial injuries/illnesses;
- Support the Rent Stabilization Program, including providing legal advice to staff and the Rent Stabilization Board; preparing reports and analyzing appeals; updating program regulations; attending board meetings;
- Support the Community and Economic Development Department, including providing legal advice to staff and the Planning Commission, attending Commission meetings and analyzing land use issues related to adopted development projects;
- Provide legal advice on the critical water issues facing the City, including water acquisition, development of a water capacity fee ordinance, and lifting Ordinance No. 399, the City's temporary moratorium on new or expanded water service connections;
- Assist development of a local tax measure for the November 2018 ballot.

The Calendar Year 2018 departmental work-plan is presented in the section of the Budget titled, "City Council Strategic Plan".

SIGNIFICANT CHANGES

FY 2017-2018 to FY 2018-2019 Adopted:

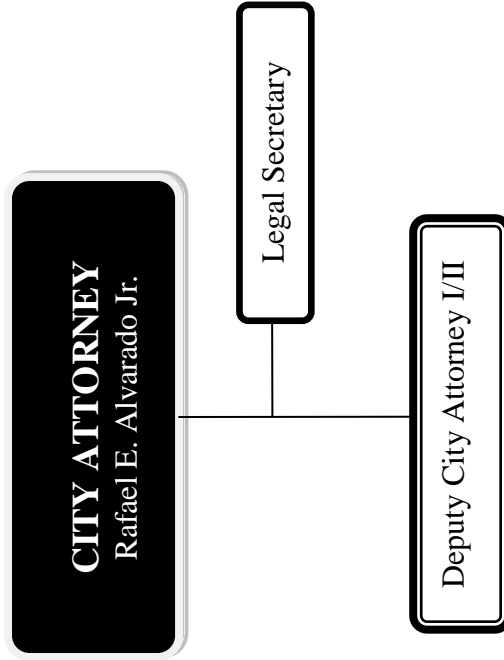
The increase of \$29,290 (3.8%) from the Adopted FY 2017-18 Budget to the Amended FY 2017-18 Budget is primarily the result of budgeted increases in Special Revenue Fund outside legal services related to anticipated water, storm water, and drainage infrastructure activity.

The increase of \$22,350 (2.8%) from the Amended FY 2017-18 Budget to the Adopted FY 2018-19 Budget is primarily attributed to higher personnel costs (\$37,310) offset by reduced general liability legal services.

Fiscal Year (FY)	Budget	\$ Change From Previous FY	% Change From Previous FY
2017-18 Adopted	\$776,100		
2017-18 Amended	\$805,390	\$29,290	3.8%
2018-19 Adopted	\$827,740	\$22,350	2.8%

CITY ATTORNEY'S OFFICE

FY 2018-2019 Budget



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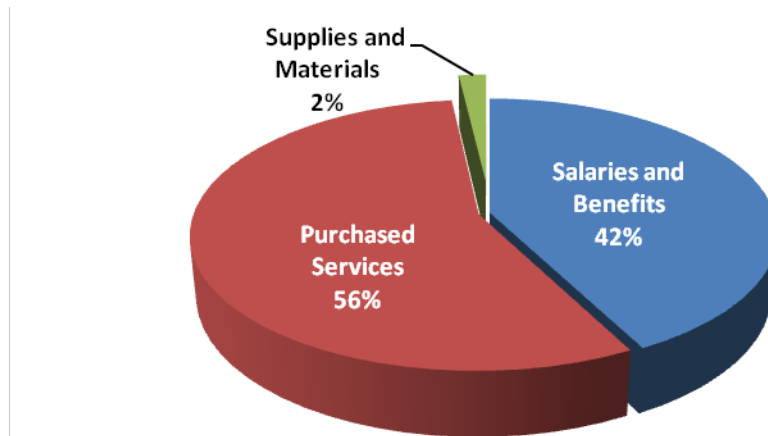
CITY CLERK'S OFFICE

FY 2018-2019 Budget

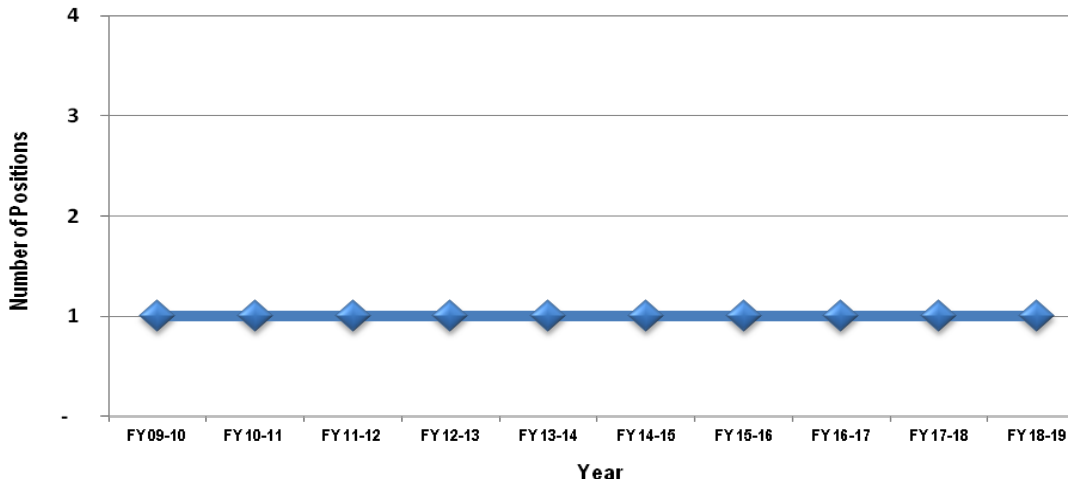
FY 2018-19

Operating	\$326,760
Positions	1

CHARACTER OF EXPENDITURES



AUTHORIZED STRENGTH



CITY CLERK'S OFFICE

FY 2018-2019 Budget

Department Summary

SOURCES

	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
General Fund:					
Assigned Funds	-	-	-	50,000	108,500
Use of Resources	139,550	158,030	178,870	252,270	218,260
TOTAL	139,550	158,030	178,870	302,270	326,760

EXPENDITURES BY DEPARTMENT

	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
City Clerk's Office	139,550	158,030	178,870	302,270	326,760
TOTAL	139,550	158,030	178,870	302,270	326,760

CHARACTER OF EXPENDITURES

	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
<u>PERSONNEL</u>					
Salaries and Benefits	107,200	101,800	106,760	144,675	138,300
Subtotal	107,200	101,800	106,760	144,675	138,300
<u>SUPPLIES AND SERVICES</u>					
Purchased Services	27,140	49,120	66,650	152,595	182,460
Supplies and Materials	5,210	6,570	5,460	5,000	6,000
Capital Expenditures	-	540	-	-	-
Subtotal	32,350	56,230	72,110	157,595	188,460
TOTAL	139,550	158,030	178,870	302,270	326,760

AUTHORIZED STRENGTH

	FY 2014-15 ADOPTED	FY 2015-16 ADOPTED	FY 2016-17 ADOPTED	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
Deputy City Clerk	1.00	1.00	1.00	1.00	1.00
TOTAL	1.00	1.00	1.00	1.00	1.00

CITY CLERK'S OFFICE

FY 2018-2019 Budget

MISSION STATEMENT

The City Clerk's Department is committed to provide the constituency of East Palo Alto with accurate and transparent official City records and documents in a timely manner, is dedicated to support the City Council and work with other City Departments to provide outstanding support; and is obligated to work with the State of California and the Federal Government to ensure that their laws and regulations are observed.

Organization & Strategic Priorities

The City Manager is designated as the City Clerk. The City Clerk's Office has a support staff level of one Deputy City Clerk position.

The Deputy City Clerk's priorities consist of the preparation and distribution of City Council agenda materials; taking, transcribing, and certifying minutes; maintaining the City's official records; monitoring and ensuring compliance with the California Fair Political Practices Commission (FFPC) requirements; and preparing ordinances for codification to the East Palo Alto Municipal Code. Other functions of the Office of the City Clerk include assisting City Council with office support, responding to Public Records Act requests, scheduling and performing legally required activities for matters such as elections, administering hearings and Oaths of Office, and recruiting residents of the City of East Palo Alto to the City's Boards, Committees, and Commissions. The priorities are driven by the directions and actions of the City Council, the City Manager/Clerk, and the public's requests for information.

The emphasis of the Fiscal Year 2018-19 budget is to maintain current levels of service to the public with a focus on accuracy and efficiency such as the following:

- Prepare Election Filings and Manage the 2018 General Election for two City Council positions, and possible Ballot Measure to amend the Business License Tax.
- Plan, direct and coordinate functions and activities as directed by the City Council and City Manager/City Clerk's Office.
- Continue to maintain the City's compliance with the State of California and the Federal Government pertaining to the Brown Act and the Public Records Act.

The Calendar Year 2018 departmental work-plan is presented in the section of the Budget titled, "City Council Strategic Plan".

CITY CLERK'S OFFICE

FY 2018-2019 Budget

SIGNIFICANT CHANGES

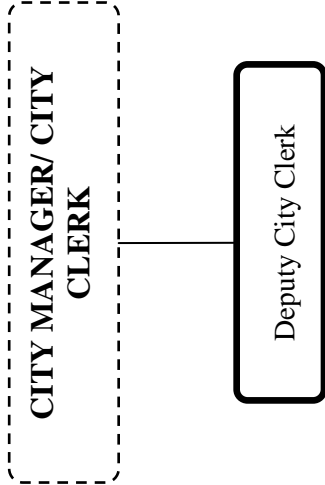
FY 2017-2018 to FY 2018-2019 Adopted:

The increase of \$87,035 (39.8%) from the Adopted FY 2017-18 Budget to the Amended FY 2017-18 Budget is primarily the result of increased personnel costs \$(41,000), and increased outside services for digital scanning and audio/visual equipment (\$29,000).

The increase of \$24,490 (8.1%) from the Amended FY 2017-18 Budget to the Adopted FY 2018-19 Budget is due to the increased digital scanning services (\$20,000), and increased costs for County Services for the 2018 election (\$10,000); offset by reduction in temporary services (\$10,000) and other net changes.

Fiscal Year (FY)	Budget	\$ Change From Previous FY	% Change From Previous FY
2017-18 Adopted	\$216,235		
2017-18 Amended	\$302,270	\$86,035	39.8%
2018-19 Adopted	\$326,760	\$24,490	8.1%

CITY CLERK'S OFFICE
FY 2018-2019 Budget



Total FTE's: 1

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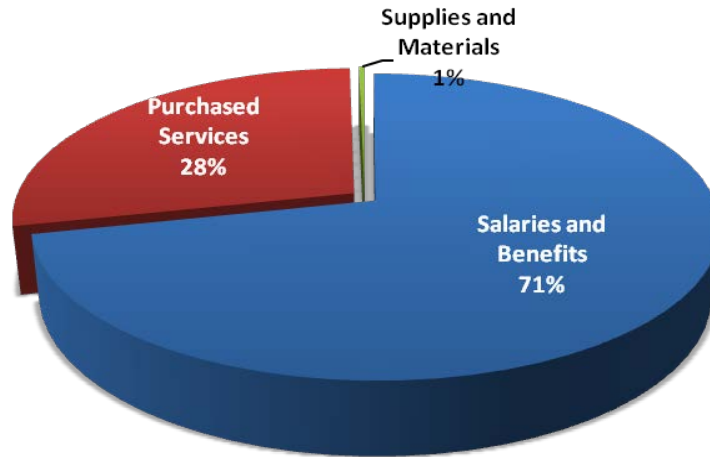
CITY MANAGER'S OFFICE

FY 2018-2019 Budget

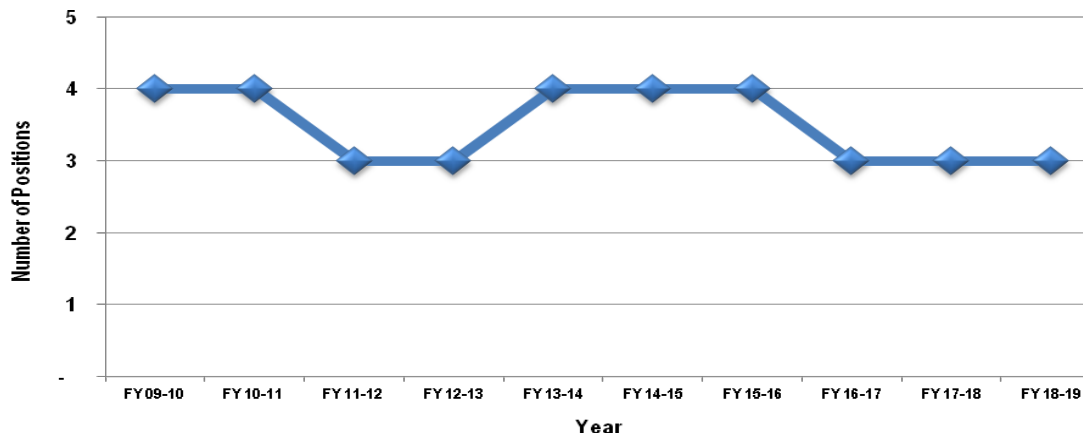
FY 2018-19

Operating	\$987,000
Positions	3

CHARACTER OF EXPENDITURES



AUTHORIZED STRENGTH



CITY MANAGER'S OFFICE

FY 2018-2019 Budget

Department Summary

SOURCES	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
General Fund:					
Use of Resources	609,980	748,910	792,750	840,720	927,000
Capital Project Fund	-	-	-	-	60,000
Successor Agency Fund	-	15,630	-	-	-
TOTAL	609,980	764,540	792,750	840,720	987,000

EXPENDITURES BY DEPARTMENT	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
City Manager's Office	609,980	764,540	792,750	840,720	987,000
TOTAL	609,980	764,540	792,750	840,720	987,000

CHARACTER OF EXPENDITURES	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
<u>PERSONNEL</u>					
Salaries and Benefits	529,200	664,960	610,180	650,370	705,800
Subtotal	529,200	664,960	610,180	650,370	705,800
<u>SUPPLIES AND SERVICES</u>					
Purchased Services	76,640	96,720	178,830	184,850	278,000
Supplies and Materials	4,140	2,860	3,740	5,500	3,200
Subtotal	80,780	99,580	182,570	190,350	281,200
TOTAL	609,980	764,540	792,750	840,720	987,000

AUTHORIZED STRENGTH	FY 2014-15 ADOPTED	FY 2015-16 ADOPTED	FY 2016-17 ADOPTED	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
City Manager	1.00	1.00	1.00	1.00	1.00
Assistant City Manager	1.00	1.00	1.00	1.00	1.00
Executive Assistant to City Manager	1.00	1.00	1.00	1.00	1.00
Office Assistant*	1.00	1.00	-	-	-
TOTAL	4.00	4.00	3.00	3.00	3.00

Position transferred to Administrative Services Administration Division.

CITY MANAGER'S OFFICE

FY 2018-2019 Budget

Department Summary

MISSION STATEMENT

The City Manager is responsible for ensuring the efficient delivery of municipal services, and is accountable to the City Council for the performance of the City organization. The City Manager also develops recommendations and strategies to meet the current and future needs of the East Palo Alto community, and to implement the Strategic Priorities of the City Council. Along with the City professional staff, the City Manager provides technical and administrative support and advice to the City Council in the performance of their duties.

The City Manager's Office is organized into the following programmatic functions: Administration and Policy Oversight, Budget Development and Management, Human Resources, City Clerk support, Legislative Analysis, Special Projects, Organizational Effectiveness, and Executive oversight of Successor Agency (formerly the Redevelopment Agency) and Economic Development initiatives. The Office currently has an authorized direct staffing level of three positions.

The emphasis of Fiscal Year 2018-19 budget is to continue pursuing ways to expand our limited financial resources to maintain rapid police response times and the number of police officers patrolling neighborhood streets, upgrade our drinking water and storm drain infrastructure, repair and maintain our street, protect and create affordable housing, and other vital City services, to maintain and continue improving our residents' quality of life.

The City Manager's Office will continue oversight of the organization to provide a professional delivery of quality public services, efficient government, community health and safety, fiscal stability, organizational effectiveness and development, economic vitality, quality of life, and citizen involvement.

The Calendar Year 2018 departmental work-plan is presented in the section of the Budget titled, "City Council Strategic Plan".

SIGNIFICANT CHANGES

FY 2017-2018 to FY 2018-19 Adopted:

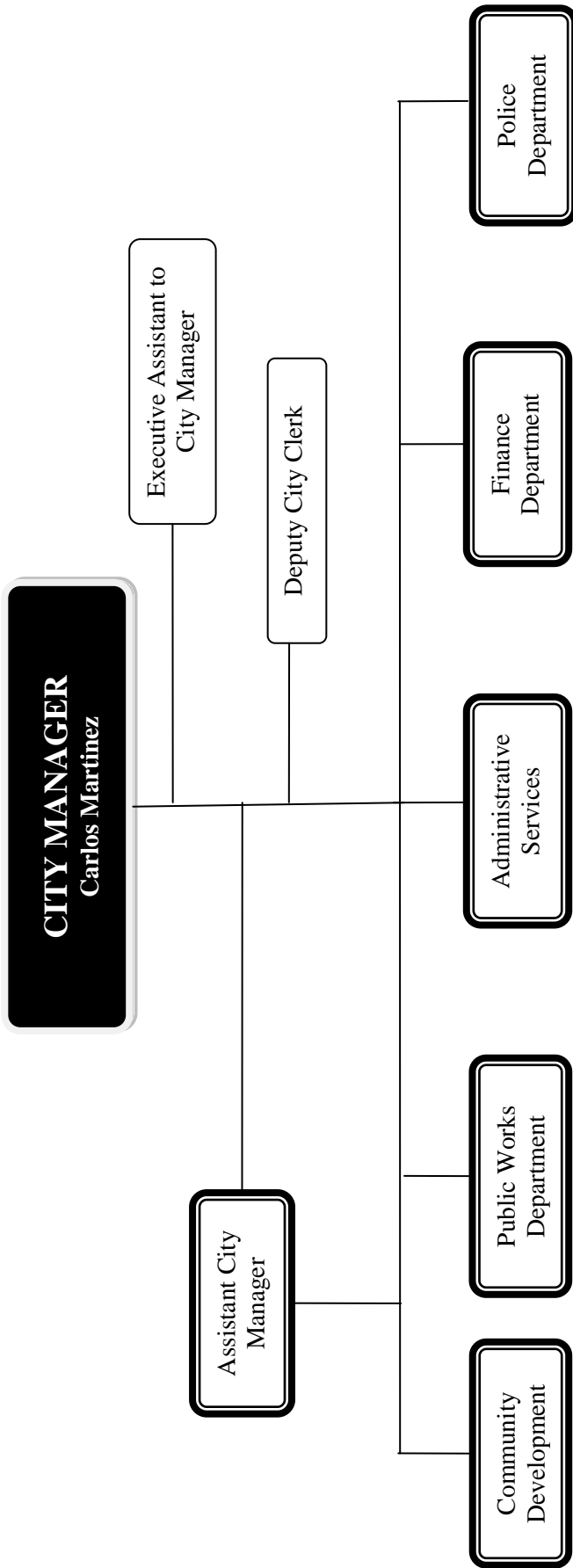
The decrease of \$53,905 (-6.0%) from the Adopted FY 2017-18 Budget to the Amended FY 2017-18 Budget is due to transferring professional services appropriations to other divisions.

The increase of \$146,280 (17.4%) from the Amended FY 2017-18 Budget to the Adopted FY 2018-19 is due to increased personnel costs (\$55,340) and increased purchased services for facilities studies (\$60,000) and other studies, as needed.

Fiscal Year (FY)	Budget	\$ Change From Previous FY	% Change From Previous FY
2017-18 Adopted	\$894,625		
2017-18 Amended	\$840,720	(\$53,905)	-6.0%
2018-19 Adopted	\$987,000	\$146,280	17.4%

CITY MANAGER'S OFFICE

FY 2018-2019 Budget



ADMINISTRATIVE SERVICES DEPARTMENT

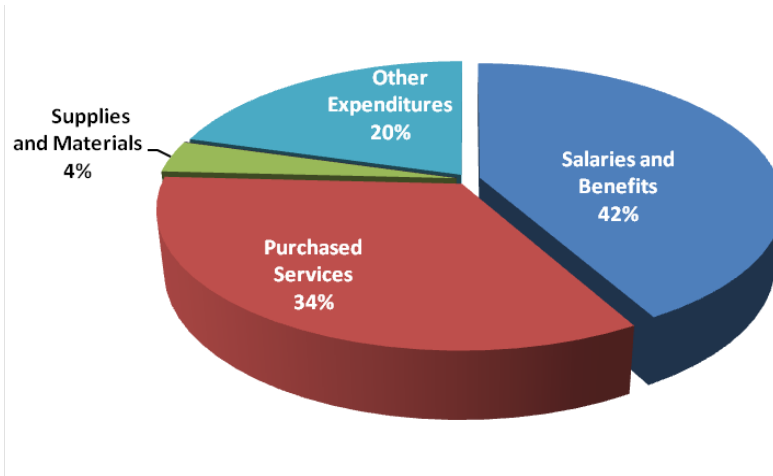
FY 2018-2019 Budget

FY 2018-19

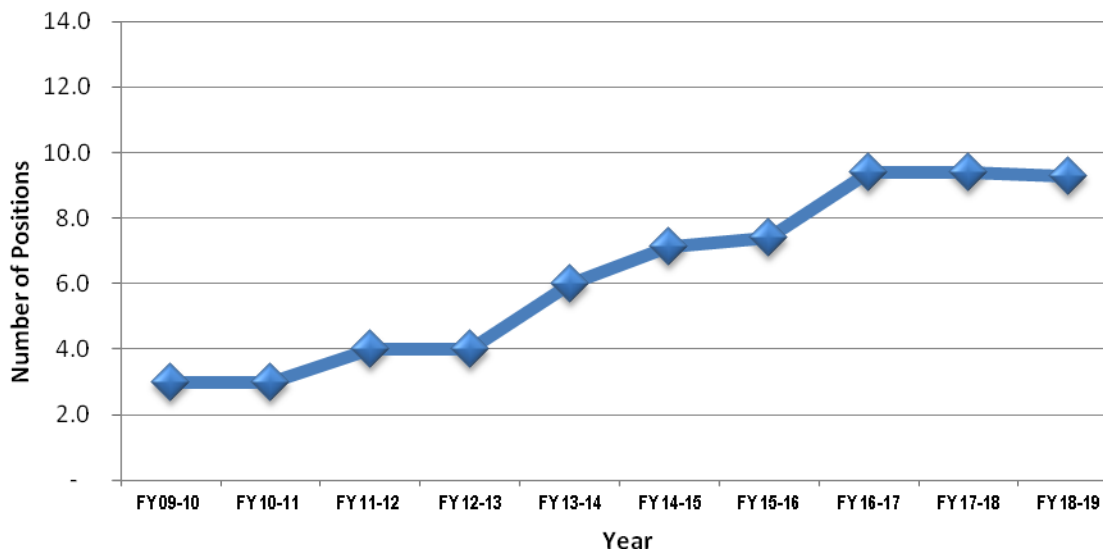
Operating \$ 2,537,540

Positions 9.15

CHARACTER OF EXPENDITURES



AUTHORIZED STRENGTH



ADMINISTRATIVE SERVICES DEPARTMENT

FY 2018-2019 Budget

Department Summary

SOURCES	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
General Fund:					
Assigned Funds	-	-	354,255	345,750	365,000
Use of Resources	615,400	1,138,110	1,090,945	1,444,095	1,589,040
Special Revenue Funds	655,580	732,250	536,930	1,014,905	583,500
TOTAL	1,270,980	1,870,360	1,982,130	2,804,750	2,537,540

EXPENDITURES BY DIVISION	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
Administration Division	-	449,060	677,000	769,320	805,100
Community Services Division	912,200	1,036,570	884,780	1,588,260	1,171,500
Human Resources Division	358,780	384,730	420,350	447,170	560,940
TOTAL	1,270,980	1,870,360	1,982,130	2,804,750	2,537,540

CHARACTER OF EXPENDITURES	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
<u>PERSONNEL</u>					
Salaries and Benefits	428,500	659,430	865,520	1,013,220	1,063,300
Subtotal	428,500	659,430	865,520	1,013,220	1,063,300
<u>SUPPLIES AND SERVICES</u>					
Purchased Services	255,900	609,160	511,959	814,060	860,540
Supplies and Materials	3,360	15,970	103,641	25,570	93,700
Capital Expenditures	-	15,980	-	72,700	-
Other Expenditures	583,220	569,820	501,010	879,200	520,000
Subtotal	842,480	1,210,930	1,116,610	1,791,530	1,474,240
TOTAL	1,270,980	1,870,360	1,982,130	2,804,750	2,537,540

AUTHORIZED STRENGTH	FY 2014-15 ADOPTED	FY 2015-16 ADOPTED	FY 2016-17 ADOPTED	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
Administrative Services Admin Division	-	1.00	3.00	3.00	3.00
Community Services Division	5.13	4.38	4.38	4.15	4.15
Human Resources Division	2.00	2.00	2.00	2.00	2.00
TOTAL	7.13	7.38	9.38	9.15	9.15

ADMINISTRATIVE SERVICES DEPARTMENT

FY 2018-2019 Budget

Department Summary

MISSION STATEMENT

The Administrative Services Department consists of Community Services, Information Technology, and Human Resources. The mission of the Department is to manage the City's Park and Recreation activities, allocation of Measure C resources, information technology needs, administering and implementing the City's First Source Hiring program and developing workforce development strategies.

In general, the various divisions in the Administrative Services Department are in charge of a wide-range of functions, among them:

Community Services

- Managing park and recreation activities in City facilities, parks and public meeting areas;
- Managing the City's Senior Nutrition & Transportation Program.

Information Technology

- Oversees all computer technology and telephone systems within City Hall and other City offices;
- Manages the City's website;
- Receives information regarding technology bids and procurement;

Human Resources

- Develops and administers personnel policies, rules, and procedures
- Manage Labor and Employee Relations, Classification and Compensation
- Leads Personnel Recruitment and Selection
- Administers the benefit programs and support services for employer-employee relations activities.

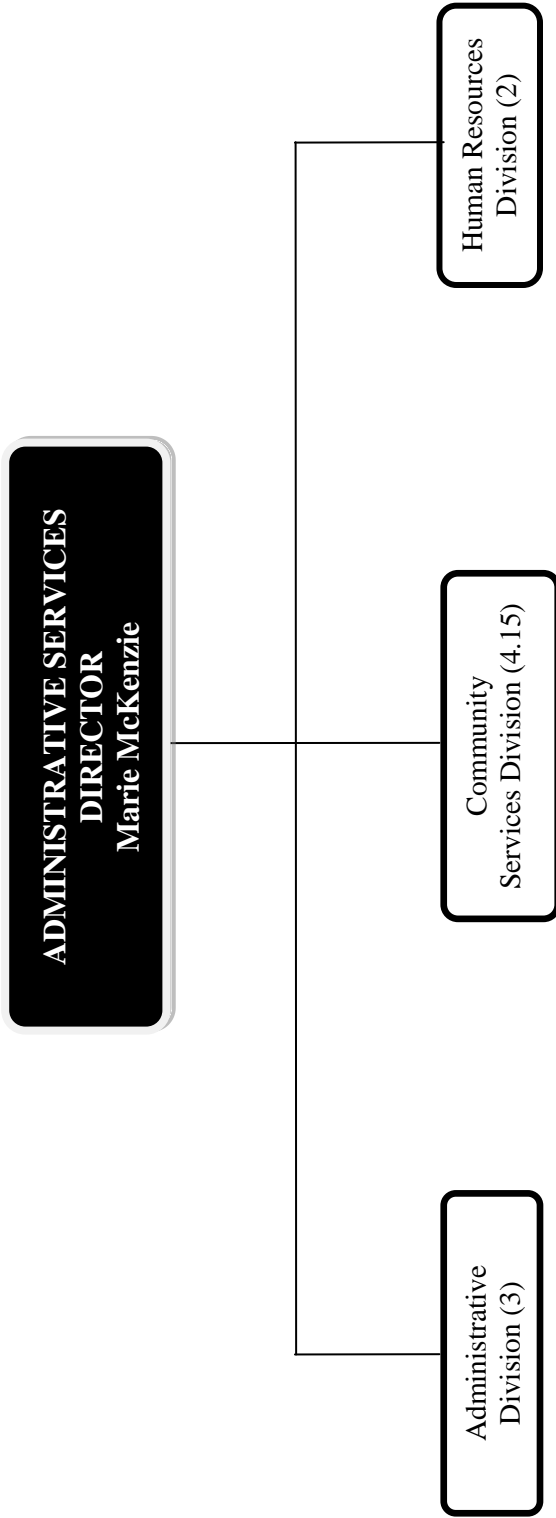
In addition, the Administrative Services Department is in charge of:

- First Source Hiring Program
- Managing the submittal, review, recommendation and awards of Measure C and TOT grants processes;
- Workforce Management and Development, and Succession Planning
- Developing the City's emergency response preparation and readiness and coordinating emergency response exercises and training with regional first responders agencies, City staff and the Community Emergency Response Team;
- Event Coordination

The Calendar Year 2018 departmental work-plan is presented in the section of the Budget titled, "City Council Strategic Plan".

ADMINISTRATIVE SERVICES DEPARTMENT

FY 2018-2019 Budget



ADMINISTRATIVE SERVICES DEPARTMENT

FY 2018-2019 Budget

Administration Division

Division Summary

SOURCES	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
General Fund:					
Assigned Funds	-	-	354,255	350,570	365,000
Use of Resources	-	449,060	322,745	418,750	440,100
TOTAL	-	449,060	677,000	769,320	805,100

EXPENDITURES BY DIVISION	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
Administration Division	-	449,060	677,000	769,320	805,100
TOTAL	-	449,060	677,000	769,320	805,100

CHARACTER OF EXPENDITURES	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
<u>PERSONNEL</u>					
Salaries and Benefits	-	146,650	311,010	405,970	430,600
Subtotal	-	146,650	311,010	405,970	430,600
<u>SUPPLIES AND SERVICES</u>					
Purchased Services	-	300,570	282,209	362,100	372,000
Supplies and Materials	-	1,840	83,781	1,250	2,500
Subtotal	-	302,410	365,990	363,350	374,500
TOTAL	-	449,060	677,000	769,320	805,100

AUTHORIZED STRENGTH	FY 2014-15 ADOPTED	FY 2015-16 ADOPTED	FY 2016-17 ADOPTED	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
Administrative Services Director	-	1.00	1.00	1.00	1.00
Grants Coordinator*	-	-	1.00	1.00	1.00
Office Assistant**	-	-	1.00	1.00	1.00
TOTAL	-	1.00	3.00	3.00	3.00

* Position transitioned from temporary Measure C Coordinator and transferred from Community Services.

** Position transferred from City Manager's Office.

ADMINISTRATIVE SERVICES DEPARTMENT

FY 2018-2019 Budget

Administration Division Summary

SERVICE DESCRIPTION

To provide direct small business and local hiring services for the community and to manage certain administrative functions of the City, including Community Services, Human Resources, and Information Technology.

The Administrative Services Administration Division is organized into the following programmatic functions: Administration of the Information Technology (IT), Human Resources and Community Services division functions as well as direct administration of local business and hiring services. The Division currently has an authorized direct staffing level of three positions and Redwood City IT contract services equal to a full-time Senior IT technician.

SIGNIFICANT CHANGES

FY 2017-2018 to FY 2018-2019 Adopted:

The increase of \$4,820 (0.6%) from the Adopted FY 2017-18 Budget to the Amended FY 2017-18 Budget is due to increased personnel costs as a result of adding temporary intern positions, offset by a decrease of \$15,750 for Redwood City IT services.

The increase of \$35,780 (4.7%) from the Amended FY 2017-18 Budget to the Adopted FY 2018-19 Budget is primarily due to increased personnel costs (\$24,630) and increased Redwood City IT services (\$9,100).

Fiscal Year (FY)	Budget	\$ Change From Previous FY	% Change From Previous FY
2017-18 Adopted	\$764,500		
2017-18 Amended	\$769,320	\$4,820	0.6%
2018-19 Adopted	\$805,100	\$35,780	4.7%

ADMINISTRATIVE SERVICES DEPARTMENT

FY 2018-2019 Budget

Community Services Division

Division Summary

SOURCES

General Fund:

Use of Resources
Special Revenue Funds

TOTAL

FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
256,620	304,320	347,850	573,355	588,000
655,580	732,250	536,930	1,014,905	583,500
912,200	1,036,570	884,780	1,588,260	1,171,500

EXPENDITURES BY DIVISION

Community Programs
Senior Programs

TOTAL

FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
696,050	808,680	651,300	1,150,990	859,000
216,150	227,890	233,480	437,270	312,500
912,200	1,036,570	884,780	1,588,260	1,171,500

CHARACTER OF EXPENDITURES

PERSONNEL

Salaries and Benefits

Subtotal

FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
234,160	255,250	273,300	301,590	326,400
234,160	255,250	273,300	301,590	326,400

SUPPLIES AND SERVICES

Purchased Services
Supplies and Materials
Capital Expenditures
Other Expenditures

Subtotal

TOTAL

92,940	186,550	94,610	312,650	237,900
1,880	8,970	15,860	22,120	87,200
-	15,980	-	72,700	-
583,220	569,820	501,010	879,200	520,000
678,040	781,320	611,480	1,286,670	845,100
912,200	1,036,570	884,780	1,588,260	1,171,500

AUTHORIZED STRENGTH

Community Programs Manager
Recreation Leader II (2 PT)
Van Drivers (2-PT)*
Nutrition Site Supervisor (PT)*
Kitchen Aide (PT)
Measure C Coordinator (LTD)**
School Social Worker (LTD)

TOTAL

FY 2014-15 ADOPTED	FY 2015-16 ADOPTED	FY 2016-17 ADOPTED	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	0.90	0.90
1.00	1.00	1.00	1.00	1.00
0.63	0.63	0.63	0.75	0.75
-	-	-	0.50	0.50
0.75	0.75	0.75	-	-
0.75	-	-	-	-
5.13	4.38	4.38	4.15	4.15

*Senior Services transferred to Community Programs in FY 2014-15.

** Position transitioned to Grants Coordinator and transferred to Administrative Services Admin Division.

ADMINISTRATIVE SERVICES DEPARTMENT

FY 2018-2019 Budget

Community Services Division Summary

SERVICE DESCRIPTION

The Community Services Division provides research and analysis about a broad range of issues and policies, and manages a variety of special projects. The Division also oversees special events, park and facility rentals and special event permits, City franchise agreements and select City services agreements, and coordinates emergency preparedness activities and training. The Division may also create public and media information materials.

Under the direction of the Administrative Services Director, the Division is staffed with:

- 1 Community Programs Manger
- 2 part-time Recreation Leaders
- 1 three-quarter time Nutrition Site Supervisor
- 1 part-time Kitchen Aide
- 2 part-time Van Drivers

The Community Services Division activities rely on interdepartmental, inter-jurisdictional, and community partnerships to deliver services that enhance the quality of life for East Palo Alto residents with a focused effort on increasing community engagement. During Fiscal Year 2018-19, the Division's objectives include:

- 1) Managing special events
 - Plan, organize and implement Citywide events, celebrations and sponsorships
- 2) Managing the City's recreation efforts and use of parks and facilities:
 - Identify and implement opportunities to leverage technology to improve operations (online processing of applications, online calendar, internal tracking/reporting system, etc.)
 - Implement community event (movies, concerts, and food-truck events) in the parks.
 - Solicit a operator manager for Cooley Landing Environmental Education Center
 - Review and revise park and facilities rental/user fees
- 3) Coordinating City Emergency Preparedness
 - Update and test the Emergency Operations Center (EOC) including defining roles of EOC staff training staff on EOC operations
 - Work with County and City members of the Joint Powers Authority to draft an updated Emergency Operations Plan
 - Conduct City EOC Tabletop Exercise
 - Participate in the San Mateo County Silver Dragon Emergency Training exercise
 - Provide all City employees with appropriate training as required by Disaster Service Workers and update their employee files to reflect the training
 - Recruit and train more East Palo Alto based CERTs
- 4) Provide a Senior Nutrition Program
 - Maintain program's good standing with the San Mateo County Office of Aging and Adult Services (OAAS)

ADMINISTRATIVE SERVICES DEPARTMENT

FY 2018-2019 Budget

Community Services Division Summary

5) Managing Public Information

- Develop positive relationship with various media outlets
- Update website to include a Community Programs Page and Public Information Page
- Update City website/content to provide a better user experience
- Work with IT to develop and implement Social Media Policy

Other Responsibilities

- The Community Programs Manager also serves as the city's Public Information Officer
- The Community Services Division provides staffing support to the following committees:
 - Senior Advisory Board
 - Recruit to fill vacancies with committed residents that represent the myriad of skill/talent, interests, and cultural diversity of the community

The Calendar Year 2018 departmental work-plan is presented in the section of the Budget titled, "City Council Strategic Plan".

SIGNIFICANT CHANGES

FY 2017-2018 to FY 2018-2019 Adopted:

The increase of \$461,480 (41.0%) from the Adopted FY 2017-18 Budget to the Amended FY 2017-18 is primarily due to increased community grant funding (\$249,000), purchase of a senior van (\$72,700), My Brother's Keeper (\$71,130), and senior center assessment and security services (\$60,000).

The decrease of \$416,760 (-26.2%) from the Amended FY 2017-18 Budget to the Adopted FY 2018-19 Budget is due to reduced community grant funding (\$359,200), no further MBK funding (\$71,130), no capital funding (\$72,700), transfer of janitorial funding to Maintenance (\$20,000), reduction in one-time senior center assessment (\$28,000); offset by personnel cost increases \$(24,810), increased special events (\$50,000), and operating costs for Cooley Landing Park (\$75,000).

Fiscal Year (FY)	Budget	\$ Change From Previous FY	% Change From Previous FY
2017-18 Adopted	\$1,126,780		
2017-18 Amended	\$1,588,260	\$461,480	41.0%
2018-19 Adopted	\$1,171,500	(\$416,760)	-26.2%

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ADMINISTRATIVE SERVICES DEPARTMENT

FY 2018-2019 Budget

Human Resources Division

Division Summary

SOURCES

General Fund:

Use of Resources

TOTAL

FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
358,780	384,730	420,350	447,170	560,940
358,780	384,730	420,350	447,170	560,940

EXPENDITURES BY DIVISION

Human Resources Division

TOTAL

FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
358,780	384,730	420,350	447,170	560,940
358,780	384,730	420,350	447,170	560,940

CHARACTER OF EXPENDITURES

PERSONNEL

Salaries and Benefits

Subtotal

FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
194,340	257,530	281,210	305,660	306,300
194,340	257,530	281,210	305,660	306,300

SUPPLIES AND SERVICES

Purchased Services

Supplies and Materials

Subtotal

TOTAL

162,960	122,040	135,140	139,310	250,640
1,480	5,160	4,000	2,200	4,000
164,440	127,200	139,140	141,510	254,640
358,780	384,730	420,350	447,170	560,940

AUTHORIZED STRENGTH

Human Resources Manager

Human Resources Assistant

TOTAL

FY 2014-15 ADOPTED	FY 2015-16 ADOPTED	FY 2016-17 ADOPTED	FY 2017-18 AMENDED	FY 2017-18 ADOPTED
1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00	1.00
2.00	2.00	2.00	2.00	2.00

ADMINISTRATIVE SERVICES DEPARTMENT

FY 2018-2019 Budget

Human Resources Division Summary

SERVICE DESCRIPTION

The Human Resources Division provides quality services to the City Council, City Staff, and potential employees. Our goal is to attract the most diverse, competent, professional, and talented workforce. We provide policy direction and consultation; maintain equitable and competitive salaries and benefits; coordinate required training programs for City employees; manage the worker's compensation program and safety of employees; and last, but not least, maintain positive labor relations between all bargaining units and the City.

The Human Resources Division (HR) is within the Administrative Services Department. Two positions are assigned to the Division - a Human Resources Manager, and a Human Resources Assistant.

Core functions of the HR Division include:

- Recruiting new staff and filling vacant positions
- Overseeing labor negotiations with bargaining units
- Developing and implementing policies and procedures to ensure employee wellness
- Managing personnel issues, including evaluations, salary step increases, grievances, evaluations, resignations, and retirements
- Conducting new hire orientations
- Ensuring City staff have adequate training and development opportunities
- Managing employee medical, life, and retirement benefits

HR's emphasis for the Fiscal Year 2018-2019 is to continue working to achieve the City of East Palo Alto's strategic mission while ensuring City employees are engaged and motivated to help East Palo Alto residents, businesses, organizations, and visitors. This will be accomplished by identifying issues and executing corrective measures effectively.

HR will enhance customer service skills throughout the City by utilizing a team approach, building business partner relationships with all departments, and further utilizing HR resources. The Human Resources team has targeted its operation initiatives to align to the City Council's Strategic Plan by initially identifying ways to recognize our hard working staff and develop training programs as well as welcome our new hires to our great moving City. The HR Division's goal is to be a results-oriented business partner providing support to all levels of the City, and not only hire the best people, but develop and retain our existing staff.

ADMINISTRATIVE SERVICES DEPARTMENT

FY 2018-2019 Budget

Human Resources Division Summary

SIGNIFICANT CHANGES

FY 2017-2018 to FY 2018-2019 Adopted:

The decrease of \$4,265 (-0.9%) from the Adopted FY 2017-18 Budget to the Amended FY 2017-18 Budget is primarily due to reduction in outside professional services budget offset by increased funding for temporary intern staff.

The increase of \$113,770 (25.4%) from the Amended FY 2017-18 Budget to the Adopted FY 2018-19 Budget is primarily due to compensation study and legal services to manage union negotiations (\$125,000); offset by no requested funding for temporary staffing.

Fiscal Year (FY)	Budget	\$ Change From Previous FY	% Change From Previous FY
2017-18 Adopted	\$451,435		
2017-18 Amended	\$447,170	(\$4,265)	-0.9%
2018-19 Adopted	\$560,940	\$113,770	25.4%

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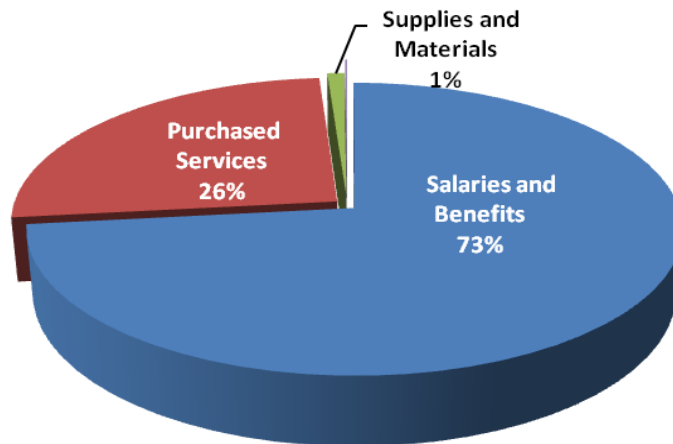
FINANCE DEPARTMENT

FY 2018-2019 Budget

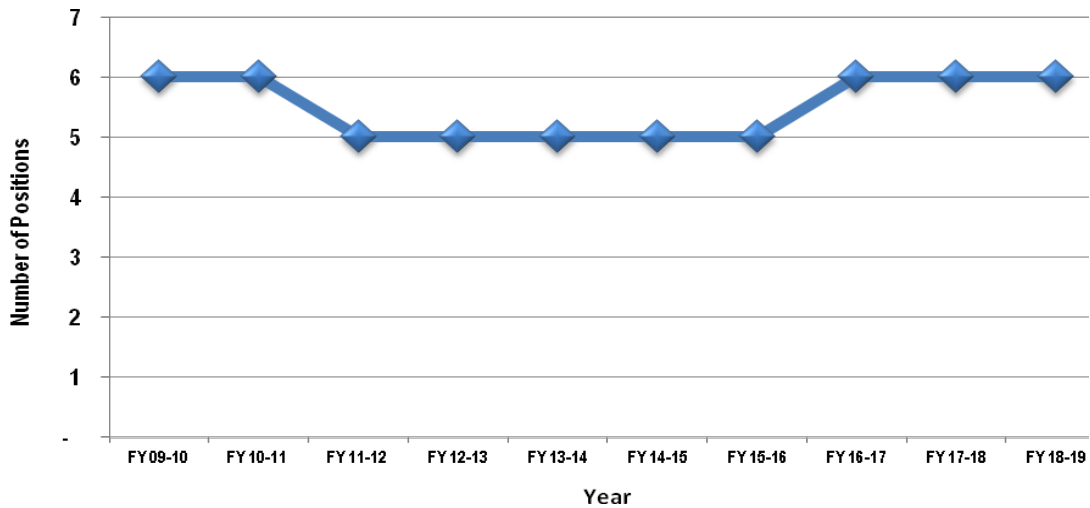
FY 2018-19

Operating	\$1,143,200
Positions	6

CHARACTER OF EXPENDITURES



AUTHORIZED STRENGTH



FINANCE DEPARTMENT

FY 2018-2019 Budget

Department Summary

SOURCES

	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
General Fund:					
Use of Resources	772,700	901,420	820,540	1,027,200	1,130,130
Special Revenue Funds	3,690	3,090	1,430	3,400	5,070
Enterprise Funds	2,370	2,430	14,490	2,750	3,000
Successor Agency Trust Fund	15,800	4,690	6,030	-	5,000
TOTAL	794,560	911,630	842,490	1,033,350	1,143,200

EXPENDITURES BY DEPARTMENT

	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
Finance Department	794,560	911,630	842,490	1,033,355	1,143,200
TOTAL	794,560	911,630	842,490	1,033,355	1,143,200

CHARACTER OF EXPENDITURES

	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
<u>PERSONNEL</u>					
Salaries and Benefits	640,500	629,620	609,900	810,500	837,200
Subtotal	640,500	629,620	609,900	810,500	837,200
<u>SUPPLIES AND SERVICES</u>					
Purchased Services	148,080	269,230	222,770	249,950	293,600
Supplies and Materials	5,980	10,130	8,200	11,700	11,200
Capital Expenditures	-	2,650	1,020	1,200	1,200
Other Expenditures	-	-	600	-	-
Subtotal	154,060	282,010	232,590	262,850	306,000
TOTAL	794,560	911,630	842,490	1,033,355	1,143,200

AUTHORIZED STRENGTH

	FY 2014-15 ADOPTED	FY 2015-16 ADOPTED	FY 2016-17 ADOPTED	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
Finance Director	1.00	1.00	1.00	1.00	1.00
Financial Services Manager	-	-	1.00	1.00	1.00
Fiscal Analyst	1.00	1.00	-	-	-
Accountant II/Payroll Accountant II	2.00	2.00	2.00	2.00	2.00
Account Technician I/II	1.00	1.00	2.00	2.00	2.00
TOTAL	5.00	5.00	6.00	6.00	6.00

FINANCE DEPARTMENT

FY 2018-2019 Budget

Department Summary

MISSION STATEMENT

Maintain the financial integrity of the City by providing fiscal management and oversight, including safeguarding assets. Oversee financial, compliance, and operational reviews and/or audits that provide independent and objective analysis of City departments; provide accurate, complete, and timely financial records, maintain and enhance the City's financial reporting systems, controls, and disbursements.

The functions of the Finance Department are: administration, financial reporting, budgeting, forecasting and planning, cash management and treasury, capital financing and debt management; as well as daily accounting functions, including: deposits and accounts payable; payroll; risk management, and business licensing. The department has a staffing level of six positions, including: Finance Director, Financial Services Manager, Accountant II, Payroll Accountant II, and Account Technician I/II.

The Finance Department emphasis has focused on goals primarily targeted toward organization-wide issues that improve financial stability and mitigate financial risk rather than projects that are directly related to needed improvements and enhancements inside the Finance Department. The Department considers that it is critical to focus on several areas of internal and citywide procedural and technology information process improvements.

For FY 2018-19, the major emphases will be: (a) Ballot Tax Measure and continued stabilization of local resources; and, (b) improving the quality of financial analytics and practices in financial management and risk mitigation strategies, as follows:

Implementing, Securing, and Stabilizing Local Resources

This focus area includes:

- Process for approval to place a local tax measure on the ballot in 2018
- Cost Allocation Plan and Master Fee Study
- Infrastructure and/or district tax funding for storm water, storm drain systems

Improving Financial Analytics, Practices, and Risk Mitigation Strategies

This focus area includes:

- Update Purchasing Ordinance, including California Uniform Public Cost Code Accounting procedures
- Implement funding strategies for CalPERS pension liabilities
- Implement internal service reserve funds
- Update or Implement Policies: Reserves, Investments, Debt, and Capital Projects

The Calendar Year 2018 departmental work-plan is presented in the section of the Budget titled, "City Council Strategic Plan".

FINANCE DEPARTMENT

FY 2018-2019 Budget

Department Summary

SIGNIFICANT CHANGES

FY 2017-2018 to FY 2018-2019 Adopted:

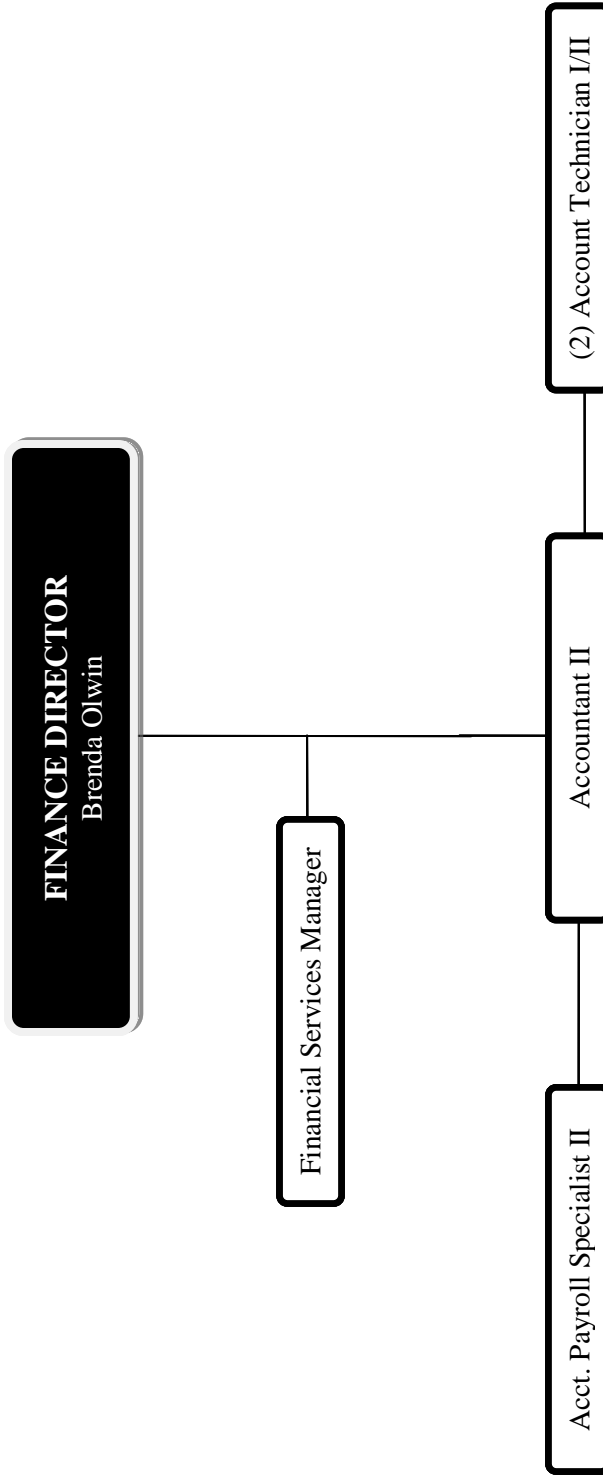
The decrease of \$24,825 (-2.3%) from the Adopted FY 17-18 Budget to the Amended FY 17-18 Budget is the result of personnel cost increases (\$7,600) offset by delay in technology implementation and other studies due to unanticipated, ten-month negotiation process and six-month process for allocation of new tax measure funding (approved in Mid-Cycle update).

The increase of \$109,845 (10.6%) from the Amended FY 17-18 Budget to the Adopted FY 18-19 Budget is due to personnel cost increases (\$27,300), and professional services for an anticipated increase in outside audit expense (\$18,140), and resources for assistance with policies and procedures and funding for storm water and drain system revenue studies (\$40,000).

Fiscal Year (FY)	Budget	\$ Change From Previous FY	% Change From Previous FY
2017-18 Adopted	\$1,058,180		
2017-18 Amended	\$1,033,350	\$(24,825)	-2.3%
2018-19 Adopted	\$1,143,200	\$109,845	10.6%

FINANCE DEPARTMENT

FY 2018-2019 Budget



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COMMUNITY AND ECONOMIC DEVELOPMENT

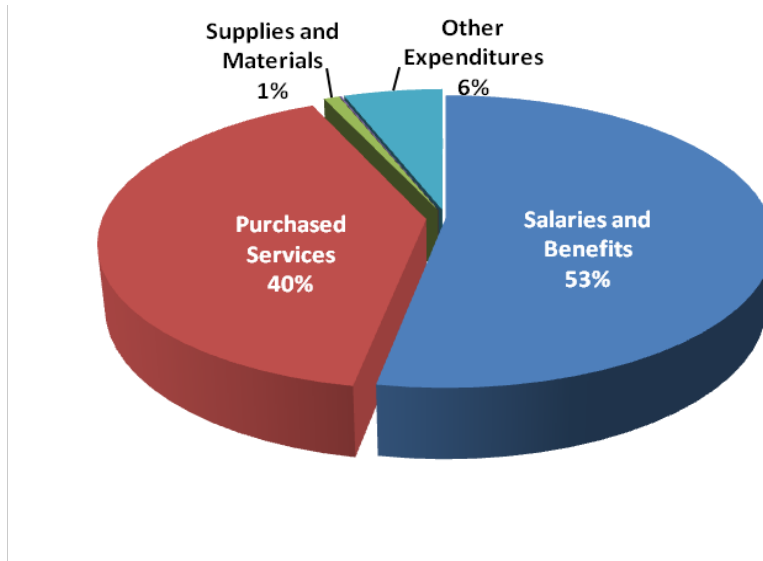
FY 2018-2019 Budget

FY 2018-19

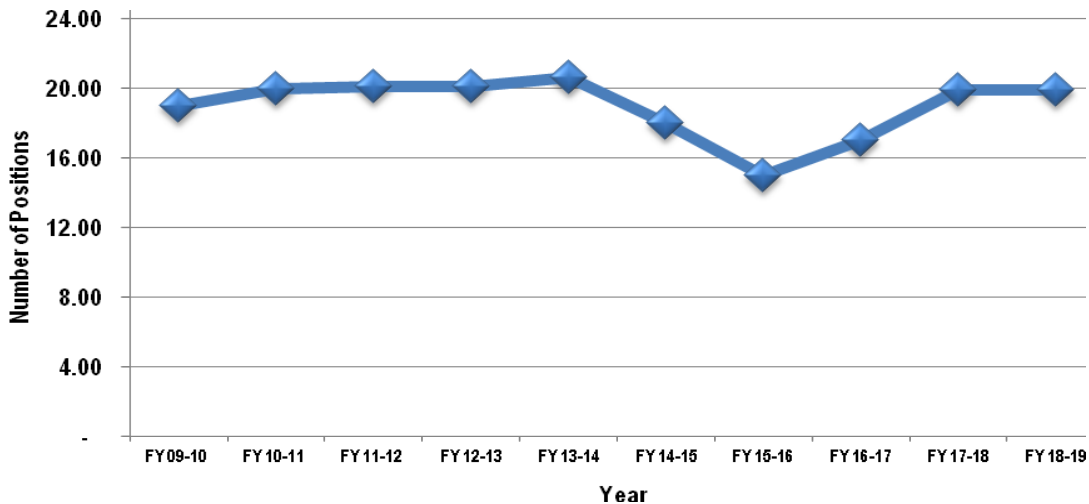
Operating \$ 4,970,100

Positions 19.9

CHARACTER OF EXPENDITURES



AUTHORIZED STRENGTH



COMMUNITY AND ECONOMIC DEVELOPMENT

FY 2018-2019 Budget

Department Summary

SOURCES

	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
General Fund:					
Charges/Fees for Services	735,500	1,265,835	1,314,725	1,492,725	1,487,500
Assigned Funds	-	91,915	-	3,000	275,000
Use of Resources	1,180,740	303,850	633,005	2,178,310	2,337,000
Special Revenue Funds	802,660	595,960	436,825	972,890	773,600
Enterprise Funds	4,785	27,335	58,245	84,200	97,000
Successor Agency Trust Fund	78,160	-	8,195	-	-
TOTAL	2,801,845	2,284,895	2,450,995	4,731,125	4,970,100

EXPENDITURES BY DIVISION

	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
Administration Division	1,313,620	717,910	555,450	987,930	858,500
Building Services Division	549,600	670,495	775,630	1,051,470	1,418,900
Housing Division	539,795	321,905	270,750	1,152,330	1,134,700
Planning Division	398,830	574,585	849,165	1,539,395	1,558,000
TOTAL	2,801,845	2,284,895	2,450,995	4,731,125	4,970,100

CHARACTER OF EXPENDITURES

	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
<u>PERSONNEL</u>					
Salaries and Benefits	1,744,975	1,397,885	1,624,240	2,212,915	2,628,900
Subtotal	1,744,975	1,397,885	1,624,240	2,212,915	2,628,900
<u>SUPPLIES AND SERVICES</u>					
Purchased Services	819,535	850,650	781,240	2,207,460	2,006,400
Supplies and Materials	28,775	30,725	42,195	22,150	44,800
Capital Expenditures	7,430	5,635	3,320	3,600	5,000
Other Expenditures	201,130	-	-	285,000	285,000
Subtotal	1,056,870	887,010	826,755	2,518,210	2,341,200
TOTAL	2,801,845	2,284,895	2,450,995	4,731,125	4,970,100

AUTHORIZED STRENGTH

	FY 2014-15 ADOPTED	FY 2015-16 ADOPTED	FY 2016-17 ADOPTED	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
Administration Division	8.00	4.00	4.00	5.90	5.90
Building Services Division	5.00	6.00	7.00	7.00	7.00
Housing Division	2.00	2.00	2.00	3.00	3.00
Planning Division	3.00	3.00	4.00	4.00	4.00
TOTAL	18.00	15.00	17.00	19.90	19.90

COMMUNITY AND ECONOMIC DEVELOPMENT

FY 2018-2019 Budget

Department Summary

MISSION STATEMENT

The Community & Economic Development Department seeks to make East Palo Alto a wonderful place to live, work, and play. The Department accomplishes this through effective current and long-range municipal planning, housing management, ensuring code compliance, and managing business attraction, development, and retention opportunities in East Palo Alto.

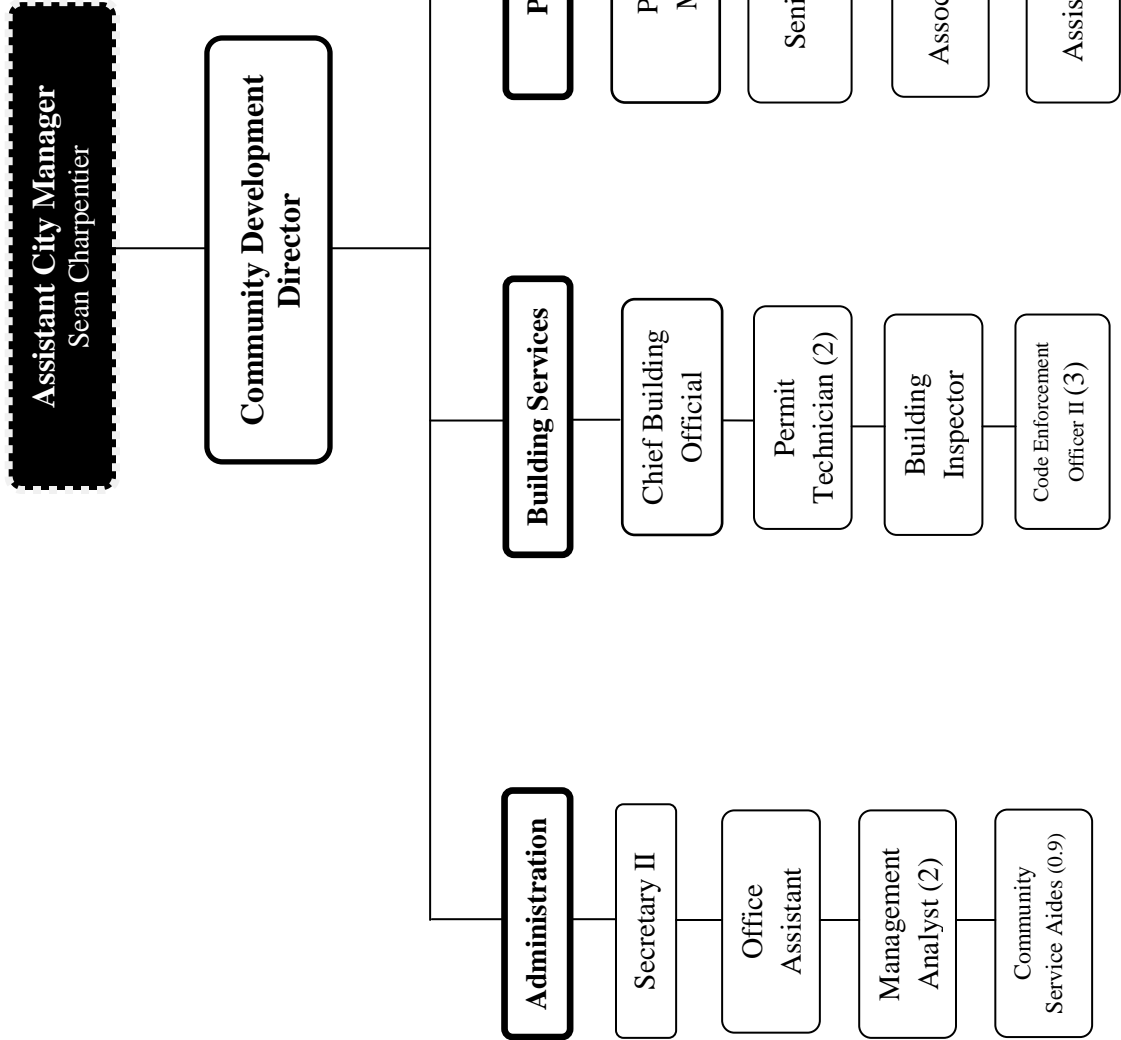
The Community and Economic Development Department consists of four divisions: Administration, Building, Planning, and Housing. The Department is responsible for a wide-range of functions including:

- Coordinating and managing the City's development related functions (e.g. long range planning, development review, entitlement and permit processing, inspection services, housing and code compliance/enforcement);
- Coordinating business development and retention efforts through both capital projects and direct economic development efforts;
- Managing the Community environmental programs;
- Serving as the City's Floodplain Coordinator by managing the National Flood Insurance Program (NFIP) and Community Rating System (CRS);
- Providing staff support to the Planning Commission;
- Monitoring and collaborating with regional organizations (e.g. City/County Association of Governments (C/CAG), Metropolitan Transportation Committee (MTC), the South Bayside Waste Management Authority and the San Francisquito Creek Joint Powers Authority).

Through these core functions, the Department will support the City Council's Strategic Priorities. The Calendar Year 2018 departmental work-plan is presented in the section of the Budget titled, "City Council Strategic Plan".

COMMUNITY AND ECONOMIC DEVELOPMENT DEPARTMENT

FY 2018-2019 Budget



Total FTE's: 19.9

COMMUNITY AND ECONOMIC DEVELOPMENT

FY 2018-2019 Budget

Administration Division

Division Summary

SOURCES	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
General Fund:					
Use of Resources	967,810	404,175	332,425	761,670	681,000
Special Revenue Funds	262,865	286,400	156,585	142,060	80,500
Enterprise Funds	4,785	27,335	58,245	84,200	97,000
Successor Agency	78,160	-	8,195	-	-
TOTAL	1,313,620	717,910	555,450	987,930	858,500

EXPENDITURES BY DIVISION	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
Administration Division	1,313,620	717,910	555,450	987,930	858,500
TOTAL	1,313,620	717,910	555,450	987,930	858,500

CHARACTER OF EXPENDITURES	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
<u>PERSONNEL</u>					
Salaries and Benefits	867,220	369,325	353,660	521,530	753,200
Subtotal	867,220	369,325	353,660	521,530	753,200
<u>SUPPLIES AND SERVICES</u>					
Purchased Services	417,780	339,275	185,980	401,750	88,500
Supplies and Materials	21,190	9,310	15,810	4,650	16,800
Capital Expenditures	7,430	-	-	-	-
Other Expenditures	-	-	-	60,000	-
Subtotal	446,400	348,585	201,790	466,400	105,300
TOTAL	1,313,620	717,910	555,450	987,930	858,500

AUTHORIZED STRENGTH	FY 2014-15 ADOPTED	FY 2015-16 ADOPTED	FY 2016-17 ADOPTED	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
Management Analyst	2.00	2.00	2.00	2.00	2.00
Secretary II	1.00	1.00	1.00	1.00	1.00
Office Assistant	1.00	1.00	1.00	1.00	1.00
Community Development Director	1.00	-	-	1.00	1.00
Community Service Aide (2PT)	-	-	-	0.90	0.90
Community Development Deputy Director	1.00	-	-	-	-
* Administrative Assistant	1.00	-	-	-	-
General Plan Proj Mgr (CIP funding)	1.00	-	-	-	-
TOTAL	8.00	4.00	4.00	5.90	5.90

* Position transferred to Public Works Administration Division in 2015 Restructure Plan.

COMMUNITY AND ECONOMIC DEVELOPMENT

FY 2018-2019 Budget

Administration Division Summary

SERVICE DESCRIPTION

The Community and Economic Development Department provides a wide array of services to the community. The Department provides planning and development related services to property owners and businesses. The Community and Economic Development Department serves as the focal point for business and economic development efforts as well as administration of local affordable housing funds and programs. Other services include regional agency coordination, environmental coordination, and transportation coordination.

The Administration Division manages the activities of, and sets policy for, the department, prepares and maintains budgets, and coordinates grant writing and grant management. Additionally, the Administration Division supports long-range planning and development services. The Administration Division also manages and coordinates a number of special programs and projects including, but not limited to, flood control, Cooley Landing Park Development, the General Plan Update, and business development and retention.

SIGNIFICANT CHANGES

FY 2017-2018 to FY 2018-2019 Adopted:

The increase of \$412,200 (71.6%) from the Adopted FY 2017-18 Budget to the Amended FY 17-18 Budget is primarily due to increased personnel costs and additional staff positions, including the Community Development Director and two part-time Community Service Aides (\$275,000); and increased professional services for hazard waste mitigation of homeless encampments (\$118,360).

The decrease of \$129,430 (-13.1%) from the Amended FY 17-18 Budget to the Adopted FY 18-19 Budget is primarily attributed to no budget request for hazard waste mitigation. This community issue may require additional Council funding.

Fiscal Year (FY)	Budget	\$ Change From Previous FY	% Change From Previous FY
2017-18 Adopted	\$575,730		
2017-18 Amended	\$987,930	\$412,200	71.6%
2018-19 Adopted	\$858,500	(\$129,430)	-13.1%

COMMUNITY AND ECONOMIC DEVELOPMENT

FY 2018-2019 Budget

Building Services Division

Division Summary

SOURCES	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
General Fund:					
Charges/Fees for Services	631,620	919,015	692,910	510,500	700,000
Assigned Funds	-	-	-	-	100,000
Use of Resources	(82,020)	(248,520)	82,720	465,970	618,900
Special Revenue Funds	-	-	-	75,000	-
TOTAL	549,600	670,495	775,630	1,051,470	1,418,900

EXPENDITURES BY DIVISION	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
Building Services Division	549,600	670,495	775,630	1,051,470	1,418,900
TOTAL	549,600	670,495	775,630	1,051,470	1,418,900

CHARACTER OF EXPENDITURES	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
<u>PERSONNEL</u>					
Salaries and Benefits	354,920	399,695	706,455	655,710	838,300
Subtotal	354,920	399,695	706,455	655,710	838,300
<u>SUPPLIES AND SERVICES</u>					
Purchased Services	193,150	251,510	42,975	386,760	566,600
Supplies and Materials	1,530	15,645	22,880	9,000	14,000
Capital Expenditures	-	3,645	3,320	-	-
Subtotal	194,680	270,800	69,175	395,760	580,600
TOTAL	549,600	670,495	775,630	1,051,470	1,418,900

AUTHORIZED STRENGTH	FY 2014-15 ADOPTED	FY 2015-16 ADOPTED	FY 2016-17 ADOPTED	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
Chief Building Official	1.00	1.00	1.00	1.00	1.00
Building Inspector	1.00	1.00	1.00	1.00	1.00
Building Permit Technician	2.00	2.00	2.00	2.00	2.00
* Code Enforcement Officer II	1.00	2.00	3.00	3.00	3.00
TOTAL	5.00	6.00	7.00	7.00	7.00

* One Position transferred from Police Department Operations Division.

COMMUNITY AND ECONOMIC DEVELOPMENT

FY 2018-2019 Budget

Building Services Division Summary

SERVICE DESCRIPTION

The Building Division ensures that existing and new/Proposed development complies with the California Building Standards Code, including California Code of Regulations Titles 8, 19, 24, and 25 as mandated by the State of California. The Division provides customer assistance to residents, property owners, contractors, developers, Design Professionals and businesses via the City's Permit Center. Services include plan review, permit issuance and assistance, inspections, and enforcement of state and local regulatory laws under the jurisdiction of the Community and Economic Development Department.

Building Services Division responsibilities include: project plan review, inspections, permit activities coordination, evaluation, implementation of codes and policies, and construction-related code enforcement for existing and new buildings and properties of all construction types and occupancies. The goal of the Division is to enforce minimum life safety laws for the built environment, which enhances the quality of life for residents and business.

Enhancement and constant improvement of building services and streamlining of the permitting and inspection processes are a major component of the City's economic and business development effort. The Division is managed by the Chief Building Official.

Additionally, the Building Services Division continues to add to customer service and operational efficiencies by developing and distributing educational handouts, policies, procedures and written interpretations that address enforcement and have provide these resources online to aid our customers in their efforts related to new construction, additions, alterations, maintenance and repair of properties and structures in the City of East Palo Alto.

The Division strategically addresses the following on an ongoing basis:

- Customer service, satisfaction and efficient Permit Center operations;
- Coordination of Building Permit processing with other Divisions;
- In-house and contract plan check;
- Permit inspections;
- Code Enforcement and compliance;
- Records management;
- Life safety Inspections specific to the built environment;
- Community outreach and education;
- Disaster/emergency preparedness, mitigation, and recovery as required under the CAL-OES Safety Assessment Program requirements.

COMMUNITY AND ECONOMIC DEVELOPMENT

FY 2018-2019 Budget

Building Services Division Summary

SIGNIFICANT CHANGES

FY 2017-2018 to FY 2018-2019 Adopted:

The increase of \$137,670 (15.1%) from the Adopted FY 17-18 Budget to the Amended FY 17-18 Budget is due to increased professional services costs to backfill vacant building positions and provide plan review and inspection services (\$238,760), offset by a reduction in personnel costs due to staff vacancies (\$98,590).

The increase of \$367,430 (34.9%) from the Amended FY 17-18 Budget to the Adopted FY 18-19 Budget is primarily to account for fully-staffed personnel costs (\$182,590); and to expand professional services in anticipation of the water connection moratorium lift (\$196,240).

Fiscal Year (FY)	Budget	\$ Change From Previous FY	% Change From Previous FY
2017-18 Adopted	\$913,800		
2017-18 Amended	\$1,051,470	\$137,670	15.1%
2018-19 Adopted	\$1,418,900	\$367,430	34.9%

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COMMUNITY AND ECONOMIC DEVELOPMENT

FY 2018-2019 Budget

Housing Division

Division Summary

SOURCES

	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
General Fund:					
Use of Resources	-	-	-	427,500	441,600
Special Revenue Funds	539,795	321,905	270,750	724,830	693,100
TOTAL	539,795	321,905	270,750	1,152,330	1,134,700

EXPENDITURES BY DIVISION

	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
Affordable Housing Program	-	-	-	724,915	703,600
Rent Stabilization Program	539,795	321,905	270,750	427,415	431,100
TOTAL	539,795	321,905	270,750	1,152,330	1,134,700

CHARACTER OF EXPENDITURES

	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
<u>PERSONNEL</u>					
Salaries and Benefits	202,050	231,800	221,610	429,325	457,900
Subtotal	202,050	231,800	221,610	429,325	457,900
<u>SUPPLIES AND SERVICES</u>					
Purchased Services	130,570	85,155	47,060	488,905	376,300
Supplies and Materials	6,045	4,415	2,080	8,500	10,500
Capital Expenditures	-	535	-	600	5,000
Other Expenditures	201,130	-	-	225,000	285,000
Subtotal	337,745	90,105	49,140	723,005	676,800
TOTAL	539,795	321,905	270,750	1,152,330	1,134,700

AUTHORIZED STRENGTH

	FY 2014-15 ADOPTED	FY 2015-16 ADOPTED	FY 2016-17 ADOPTED	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
RS Administrator	1.00	1.00	1.00	1.00	1.00
Housing Counselor II	1.00	1.00	1.00	1.00	1.00
Housing Project Manager	-	-	-	1.00	1.00
TOTAL	2.00	2.00	2.00	3.00	3.00

COMMUNITY AND ECONOMIC DEVELOPMENT

FY 2018-2019 Budget

Housing Division Summary

SERVICE DESCRIPTION

Administer affordable housing development and programs, including Rent Stabilization and Eviction for Just Cause Ordinances. The primary purpose of these Ordinances is to 1) stabilize rents, 2) protect residential tenants from unreasonable rent increases and unjust or retaliatory evictions; and 3) facilitate improvements in maintenance and service levels of rental units in an economically viable rental housing market, and provide a forum for both tenants and landlords to address their grievances.

The Housing Division is a newly re-established division incorporating programmatic tasks related to affordable housing development and programs, as well as, the Rent Stabilization Program. The Affordable Housing program is funded through multiple sources, including donations, impact fees, successor housing, and the General Fund. The Rent Stabilization program is fully funded through revenues generated by annual registration fees paid by landlords for regulated rental units, including rented mobile home spaces. In addition to supporting the Rent Board in adopting and implementing regulations for the Ordinances, the staff works directly with residents and landlords to gain compliance with the Ordinance and to improve living conditions for rental residents.

The division has a staffing level of three (3) positions for these services, and is supported by staff from the City Attorney's Office and the Finance Department, contracts Information Technology providers, hearing examiners, and temporary staff as needed.

SIGNIFICANT CHANGES

FY 2017-2018 to FY 2018-2019 Adopted:

The increase of \$724,915 (169.6%) the Adopted FY 17-18 Budget to the Amended FY 17-18 Budget is primarily attributed to the establishment of the Affordable Housing program, including a Housing Project Manager (\$149,815), affordable housing study (\$147,600), and program operating resources (\$427,500).

The decrease of \$17,630 (-1.5%) the Amended FY 17-18 Budget to the Adopted FY 18-19 Budget is primarily due to completion of affordable housing study, offset by personnel and program cost increases, transfer of Bay Road Housing Loan from Administration (\$60,000) and BMR monitoring costs from Planning (\$46,000).

Fiscal Year (FY)	Budget	\$ Change From Previous FY	% Change From Previous FY
2017-18 Adopted	\$427,415		
2017-18 Amended	\$1,152,330	\$724,915	169.6%
2018-19 Adopted	\$1,134,700	(\$17,630)	-1.5%

COMMUNITY AND ECONOMIC DEVELOPMENT

FY 2018-2019 Budget

Planning Division

Division Summary

SOURCES

	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
General Fund:					
Charges/Fees for Services	103,880	346,820	621,815	872,225	787,500
Assigned Funds	-	91,915	-	3,000	175,000
Use of Resources	294,950	148,195	217,860	633,170	595,500
Special Revenue Funds	-	(12,345)	9,490	31,000	-
TOTAL	398,830	574,585	849,165	1,539,395	1,558,000

EXPENDITURES BY DIVISION

	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
Planning Division	398,830	574,585	849,165	1,539,395	1,558,000
TOTAL	398,830	574,585	849,165	1,539,395	1,558,000

CHARACTER OF EXPENDITURES

	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
<u>PERSONNEL</u>					
Salaries and Benefits	320,785	397,065	342,515	398,350	579,500
Subtotal	320,785	397,065	342,515	398,350	579,500
<u>SUPPLIES AND SERVICES</u>					
Purchased Services	78,035	174,710	505,225	1,138,045	975,000
Supplies and Materials	10	1,355	1,425	-	3,500
Capital Expenditures	-	1,455	-	3,000	-
Subtotal	78,045	177,520	506,650	1,141,045	978,500
TOTAL	398,830	574,585	849,165	1,539,395	1,558,000

AUTHORIZED STRENGTH

	FY 2014-15 ADOPTED	FY 2015-16 ADOPTED	FY 2016-17 ADOPTED	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
Planning Manager	1.00	1.00	1.00	1.00	1.00
* Senior Planner	-	-	1.00	1.00	1.00
Associate Planner	1.00	1.00	1.00	1.00	1.00
Assistant Planner	1.00	1.00	1.00	1.00	1.00
TOTAL	3.00	3.00	4.00	4.00	4.00

* Position rotated into permanent position in FY 16-18. Initially hired as 2-year Limited Duration.

COMMUNITY AND ECONOMIC DEVELOPMENT

FY 2018-2019 Budget

Planning Division Summary

SERVICE DESCRIPTION

The Planning Division implements the City's planning policies, which are intended to maintain and enhance the quality of life for City residents and visitors through provision of an attractive and functionally built environment, protection of desirable environmental and scenic amenities, efficient development review. The Division provides quality development review and permitting services through efficient, professional and customer-friendly public processes under the policy direction of the Planning Commission and ultimately the City Council.

The functions of the Planning Division include current planning/development review, and advanced/long range planning. In addition to regular staff, the Division also utilizes consultants for special projects and environmental reviews.

The Planning Division will continue to implement FEMA's Community Rating System, which has resulted in significant flood insurance savings. Core planning functions continue, such as processing high priority projects, responding to day-to-day inquiries, processing environmental and private development permit applications, and ensuring that divisional operations are conducted in an efficient, professional and customer-friendly manner.

The Planning Division also supports the work of the Planning Commission, whose resident members are appointed by the City Council. The Planning Commission is required under state law to review and act on matters related to planning and development. The Planning Division will continue to work towards process and systems improvement in the course of the objectives described in the objectives section of this narrative.

SIGNIFICANT CHANGES

FY 2017-2018 to FY 2018-20119 Adopted:

The increase of \$905,725 (142.9%) from the Adopted FY 2017-18 Budget to the Amended FY 17-18 Budget is primarily the result of utilizing prior year vacant Senior Planner savings for outside contract services (\$130,000) and entering into development-funded environmental services (\$708,725).

The increase of \$18,605 (1.2%) from the Amended FY 17-18 Budget to the Adopted FY 18-19 Budget is primarily attributed to assumed continuation of fee-funded pass through costs for development or other planning services (\$675,000), and consulting backfill in anticipation of water connection moratorium lift (\$175,000); offset by sunset of fees noted above in FY 17-18 Amended.

Fiscal Year (FY)	Budget	\$ Change From Previous FY	% Change From Previous FY
2017-18 Adopted	\$633,670		
2017-18 Amended	\$1,539,395	\$905,725	142.9%
2018-19 Adopted	\$1,558,000	\$18,605	1.2%

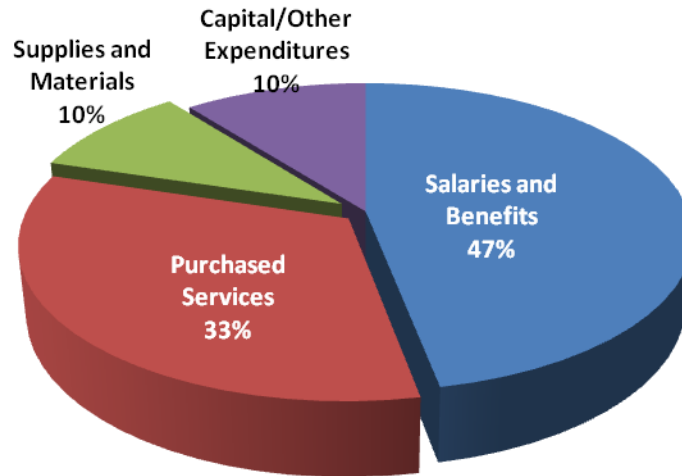
PUBLIC WORKS DEPARTMENT

FY 2018-2019 Budget

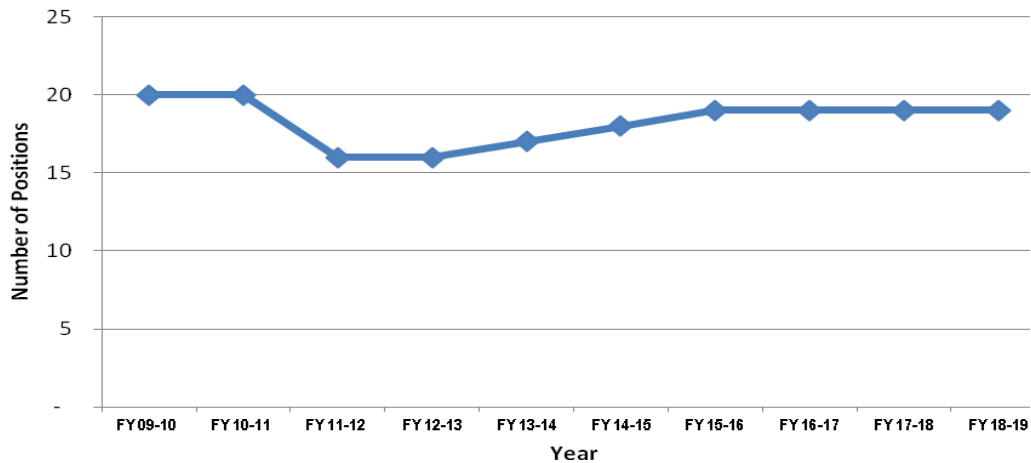
FY 2018-19

Operating \$ 5,237,810
Positions 19

CHARACTER OF EXPENDITURES



AUTHORIZED STRENGTH



PUBLIC WORKS DEPARTMENT

FY 2018-2019 Budget

Department Summary

SOURCES

	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
General Fund:					
Charges for Services	129,435	319,060	126,010	614,300	575,000
Assigned Funds	-	43,015	34,850	411,715	175,000
Use of Resources	1,833,225	2,002,535	2,388,945	2,488,255	2,959,110
Special Revenue Funds	735,555	741,600	590,330	957,005	937,900
Capital Project Fund	-	-	420,000	420,000	420,000
Enterprise Funds	145,380	154,780	141,090	82,845	170,800
TOTAL	2,843,595	3,260,990	3,701,225	4,974,120	5,237,810

EXPENDITURES BY DIVISION

	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
Administration Division	-	324,485	324,530	396,785	396,500
Engineering Division	680,575	654,025	1,142,235	1,423,030	1,824,410
Maintenance Division	2,163,020	2,282,480	2,234,460	3,154,305	3,016,900
TOTAL	2,843,595	3,260,990	3,701,225	4,974,120	5,237,810

CHARACTER OF EXPENDITURES

	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
<u>PERSONNEL</u>					
Salaries and Benefits	1,763,710	1,914,965	2,004,915	2,187,950	2,456,900
Subtotal	1,763,710	1,914,965	2,004,915	2,187,950	2,456,900
<u>SUPPLIES AND SERVICES</u>					
Purchased Services	718,175	1,009,960	835,595	1,411,655	1,718,610
Supplies and Materials	345,465	325,545	390,900	452,800	507,300
Capital and Other Expenditures	16,245	10,520	469,815	921,715	555,000
Subtotal	1,079,885	1,346,025	1,696,310	2,786,170	2,780,910
TOTAL	2,843,595	3,260,990	3,701,225	4,974,120	5,237,810

AUTHORIZED STRENGTH

	FY 2014-15 ADOPTED	FY 2015-16 ADOPTED	FY 2016-17 ADOPTED	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
Administration Division	-	2.00	2.00	2.00	2.00
Engineering Division	6.00	5.00	5.00	5.00	5.00
Maintenance Division	12.00	12.00	12.00	12.00	12.00
TOTAL	18.00	19.00	19.00	19.00	19.00

PUBLIC WORKS DEPARTMENT

FY 2018-2019 Budget

Department Summary

MISSION STATEMENT

The Public Works Department provides administrative, engineering and maintenance services that ensure the design, construction, maintenance, and operation of public infrastructure, parks, and facilities, are high-quality and sufficient to meet the needs of East Palo Alto residents, businesses, and visitors.

The Public Works Department includes the Administrative, Engineering, and Maintenance Divisions.

Divisions Overview:

Engineering Division

The Engineering Division oversees the design, development and construction of public works capital projects and facilities, including streets and roadways, water supply, and storm drainage systems. The Division is responsible for issuing permits for any work to be performed on City right-of-way and performs various reviews related to private development projects, and prepares grant applications

Maintenance Division

The Maintenance Division is responsible for the day-to-day maintenance of all City-owned facilities, parks and infrastructure. It coordinates and assists other departments with the use of City facilities during special events, holidays, as well as the general use of City facilities and parks.

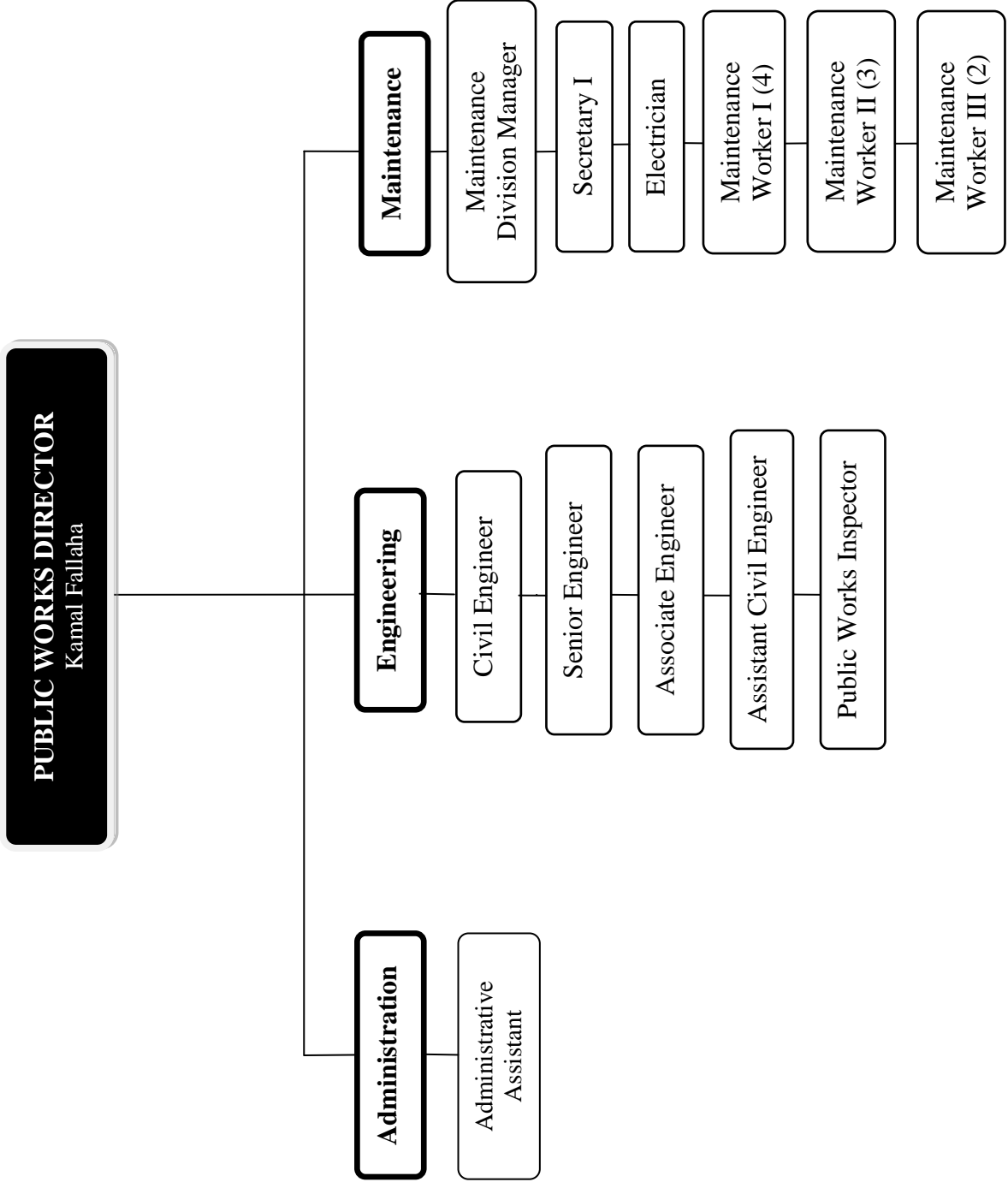
The Public Works Department is responsible for a wide-range of functions including:

- Maintaining existing streets, utilities and facilities;
- Developing and managing the City's Ten Year Capital Improvement Program and annual Capital Budget;
- As the environmental coordinator for the City, ensuring compliance with the California Environmental Quality Act (CEQA) and the National Environmental Policy Act (NEPA);
- Serving as the Disabled Access Coordinator to ensure safe and reasonable access for all citizens under the Americans with Disabilities Act (ADA) and California Title 24;
- Managing storm water efforts to ensure compliance with the Clean Water Act and other mandates of the San Francisco Bay Regional Water Quality Control Board;
- Providing staff support to the City Council and Public Works and Transportation Commission
- Monitoring and collaborating with regional organizations (e.g. City/County Association of Governments (C/CAG), Metropolitan Transportation Committee (MTC), the Association of Bay Area Governments (ABAG), the South Bayside Waste Management Authority and the San Francisco Creek Joint Powers Authority).

The Calendar Year 2018 departmental work-plan is presented in the section of the Budget titled, "City Council Strategic Plan".

PUBLIC WORKS DEPARTMENT

FY 2018-2019 Budget



Total FTE's: 19

PUBLIC WORKS DEPARTMENT

FY 2018-2019 Budget

Administration Division

Division Summary

SOURCES

	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
General Fund:					
Use of Resources	-	324,485	323,570	386,785	386,500
Special Revenue Funds	-	-	-	10,000	10,000
Enterprise Funds	-	-	960	-	-
TOTAL	-	324,485	324,530	396,785	396,500

EXPENDITURES BY DIVISION

	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
Administration Division	-	324,485	324,530	396,785	396,500
TOTAL	-	324,485	324,530	396,785	396,500

CHARACTER OF EXPENDITURES

PERSONNEL

	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
Salaries and Benefits	-	321,245	316,945	335,085	345,400
Subtotal	-	321,245	316,945	335,085	345,400

SUPPLIES AND SERVICES

Purchased Services	-	2,075	5,925	59,700	49,500
Supplies and Materials	-	1,165	1,660	2,000	1,600
Subtotal	-	3,240	7,585	61,700	51,100
TOTAL	-	324,485	324,530	396,785	396,500

AUTHORIZED STRENGTH

	FY 2014-15 ADOPTED	FY 2015-16 ADOPTED	FY 2016-17 ADOPTED	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
* Public Works Director	-	1.00	1.00	1.00	1.00
** Administrative Assistant	-	1.00	1.00	1.00	1.00
	-	2.00	2.00	2.00	2.00

* Position established in 2015 Restructure Plan.

** Position transferred from Community Economic Development Department in 2015 Restructure Plan.

PUBLIC WORKS DEPARTMENT

FY 2018-2019 Budget

Administration Division Summary

SERVICE STATEMENT

The Public Works Administration Division provides oversight of the engineering and maintenance services that ensure the design, construction, maintenance, and operation of public infrastructure, parks, and facilities, are high-quality and sufficient to meet the needs of East Palo Alto residents, businesses, and visitors.

The Division is responsible for the oversight of a wide-range of functions including:

- Maintaining existing streets, utilities and facilities;
- Developing and managing the City's Ten Year Capital Improvement Program;
- As the environmental coordinator for the City, ensuring compliance with the California Environmental Quality Act (CEQA) and the National Environmental Policy Act (NEPA);
- Serving as the Disabled Access Coordinator to ensure safe and reasonable access for all citizens under the Americans with Disabilities Act (ADA) and California Title 24;
- Managing storm water efforts to ensure compliance with the Clean Water Act and other mandates of the San Francisco Bay Regional Water Quality Control Board;
- Providing staff support to the City Council and Public Works and Transportation Commission.
- Monitoring and collaborating with regional organizations (e.g. City/County Association of Governments (C/CAG), Metropolitan Transportation Committee (MTC), the Association of Bay Area Governments (ABAG), the South Bayside Waste Management Authority and the San Francisquito Creek Joint Powers Authority).

SIGNIFICANT CHANGES

FY 2017-2018 to FY 2018-2019 Adopted:

The increase of \$16,560 (4.4%) from the Adopted FY 2017-18 Budget to the Amended FY 2017-18 Budget is mainly due to personnel cost increases, and USDA monitoring services (\$44,500); offset by elimination of request for vehicle replacement (\$30,000).

The decrease of \$285 (-0.1%) from the Amended FY 2017-18 to the Adopted FY 2018-19 Budget is due to personnel cost increases (\$10,315); offset by reduction in outside services.

Fiscal Year (FY)	Budget	\$ Change From Previous FY	% Change From Previous FY
2017-18 Adopted	\$380,225		
2017-18 Amended	\$396,785	\$16,560	4.4%
2018-19 Adopted	\$396,500	(\$285)	-0.1%

PUBLIC WORKS DEPARTMENT

FY 2018-2019 Budget

Engineering Division

Division Summary

SOURCES

	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
General Funds:					
Charges/Fees for Services	129,435	319,060	126,010	614,300	575,000
Assigned Funds	-	4,750	-	5,000	100,000
Use of Resources	547,530	255,275	537,695	355,230	620,910
Special Revenue Funds	3,610	-	400	28,500	28,500
Capital Project Fund	-	-	420,000	420,000	420,000
Enterprise Funds	-	74,940	58,130	-	80,000
TOTAL	680,575	654,025	1,142,235	1,423,030	1,824,410

EXPENDITURES BY DIVISION

	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
Engineering Division	680,575	654,025	1,142,235	1,423,030	1,824,410
TOTAL	680,575	654,025	1,142,235	1,423,030	1,824,410

CHARACTER OF EXPENDITURES

	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
<u>PERSONNEL</u>					
Salaries and Benefits	639,855	363,100	552,430	568,660	747,800
Subtotal	639,855	363,100	552,430	568,660	747,800
<u>SUPPLIES AND SERVICES</u>					
Purchased Services	40,720	289,535	163,675	431,270	652,910
Supplies and Materials	-	1,390	3,130	3,100	3,700
Other Expenditures	-	-	423,000	420,000	420,000
Subtotal	40,720	290,925	589,805	854,370	1,076,610
TOTAL	680,575	654,025	1,142,235	1,423,030	1,824,410

AUTHORIZED STRENGTH

	FY 2014-15 ADOPTED	FY 2015-16 ADOPTED	FY 2016-17 ADOPTED	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
Assistant Civil Engineer	1.00	1.00	1.00	1.00	1.00
Associate Engineer	1.00	1.00	1.00	1.00	1.00
City Engineer	1.00	1.00	1.00	1.00	1.00
Public Works Inspector	1.00	1.00	1.00	1.00	1.00
Senior Engineer	1.00	1.00	1.00	1.00	1.00
* Management Analyst	1.00	-	-	-	-
TOTAL	6.00	5.00	5.00	5.00	5.00

* This position was eliminated in 2015 Restructure Plan.

PUBLIC WORKS DEPARTMENT

FY 2018-2019 Budget

Engineering Division Summary

SERVICE DESCRIPTION

The Engineering Division develops and manages master infrastructure plans and capital projects to enhance community, economic and business development and retention. It manages the transportation network, coordinates maintenance of streets, facilities and infrastructure and provides development review services, ensuring adequate public improvements and services to existing and new development.

The Engineering Division is responsible for the maintenance and enhancement of existing infrastructure and public facilities as well as the design and construction of new public projects and infrastructure. Additionally, the Division is responsible for review and inspection of improvements required as part of new private developments. The Division provides primary support to the City's Public Works and Transportation Commission, in accordance with the Municipal Code.

The Division strategically addresses the following on an ongoing basis:

- Capital Improvement Program and projects;
- Storm drain and flood protection;
- Roads/traffic and transportation (new facilities, major rehabilitation and regular maintenance);
- Facilities and parks maintenance;
- Water utilities;
- NPDES and related Clean Water Act requirements;
- Land development/plan review;
- Encroachment & Grading Permits;
- Coordination with Caltrans and other agencies; and
- Disaster/emergency preparedness, mitigation, and recovery.

PUBLIC WORKS DEPARTMENT

FY 2018-2019 Budget

Engineering Division Summary

SIGNIFICANT CHANGES

FY 2017-2018 to FY 2018-2019 Adopted:

The increase of \$637,305 (81.1%) from the Adopted FY 17-18 Budget to the Amended FY 17-18 Budget is the result of utilizing vacancy salary savings to hire outside engineering firms (\$217,305), and fee-reimbursed development projects, as well as, amendment for second payment to San Francisquito Creek JPA for flood control project (\$420,000).

The increase of \$401,380 (28.2%) from the Amended FY 17-18 Budget to the Adopted FY 18-19 Budget is due to personnel cost increases, and fully funding all positions, (\$179,140); and continued, increased appropriation for fee-reimbursed and/or other project support in anticipation of lifting the water connection moratorium.

Fiscal Year (FY)	Budget	\$ Change From Previous FY	% Change From Previous FY
2017-18 Adopted	\$785,725		
2017-18 Amended	\$1,423,030	\$637,305	81.1%
2018-19 Adopted	\$1,824,410	\$401,380	28.2%

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PUBLIC WORKS DEPARTMENT

FY 2018-2019 Budget

Maintenance Division

Division Summary

SOURCES

	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
General Fund:					
Assigned Funds	-	38,265	34,850	406,715	75,000
Use of Resources	1,285,695	1,422,775	1,527,680	1,746,240	1,951,700
Special Revenue Funds	731,945	741,600	589,930	918,505	899,400
Enterprise Funds	145,380	79,840	82,000	82,845	90,800
TOTAL	2,163,020	2,282,480	2,234,460	3,154,305	3,016,900

EXPENDITURES BY DIVISION

	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
Maintenance Division	2,163,020	2,282,480	2,234,460	3,154,305	3,016,900
TOTAL	2,163,020	2,282,480	2,234,460	3,154,305	3,016,900

CHARACTER OF EXPENDITURES

	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
<u>PERSONNEL</u>					
Salaries and Benefits	1,123,855	1,230,620	1,135,540	1,284,205	1,363,700
Subtotal	1,123,855	1,230,620	1,135,540	1,284,205	1,363,700
<u>SUPPLIES AND SERVICES</u>					
Purchased Services	677,455	718,350	665,995	920,685	1,016,200
Supplies and Materials	345,465	322,990	386,110	447,700	502,000
Capital Expenditures	16,245	10,520	46,815	501,715	135,000
Subtotal	1,039,165	1,051,860	1,098,920	1,870,100	1,653,200
TOTAL	2,163,020	2,282,480	2,234,460	3,154,305	3,016,900

AUTHORIZED STRENGTH

	FY 2014-15 ADOPTED	FY 2015-16 ADOPTED	FY 2016-17 ADOPTED	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
Maintenance Division Manager	1.00	1.00	1.00	1.00	1.00
Electrician	1.00	1.00	1.00	0.00	0.00
Maintenance Worker I	4.00	4.00	4.00	4.00	4.00
Maintenance Worker II	3.00	3.00	3.00	4.00	4.00
Maintenance Worker III	2.00	2.00	2.00	2.00	2.00
Secretary I	1.00	1.00	1.00	1.00	1.00
TOTAL	12.00	12.00	12.00	12.00	12.00

PUBLIC WORKS DEPARTMENT

FY 2018-2019 Budget

Maintenance Division

SERVICE DESCRIPTION

The Maintenance Division provides maintenance of parks, open spaces, medians, street, street lights, sidewalks, and facilities. The Division operates and manages storm drain facilities including the O'Connor Pump Station. The Division addresses graffiti abatement in public areas, manages fleet services, and manages other contract services.

The Maintenance Division is responsible for the day-to-day maintenance of all City-owned facilities, parks and infrastructure. It coordinates and assists other departments with the use of City facilities during special events, holidays, as well as the general use of City facilities and parks on a continuous basis. Under the direct supervision of the Maintenance Division Manager, the Division has a staffing level of 12 positions.

Emphasis for Fiscal Year 2018-19 will be on improving operational efficiencies and enhancing preventive maintenance efforts for the following assignments:

- **Drainage District:** Maintain the citywide storm drainage system, including operation of O'Connor pump station. Ensure compliance with National Pollution Discharge Elimination System (NPDES) mandates of the San Francisco Bay Regional Water Quality Control Board.
- **Facilities:** Provide maintenance services to the Senior Center, Police Department, Corporation Yard, Community Development, Cooley Landing, Re-entry Program, Space at YMCA, Jack Farrell and MLK Park concession buildings.
- **Parks:** Maintain all City Parks: Martin Luther King Jr., Jack Farrell, Bell Street, Joel Davis, Cooley Landing, and the Newbridge and Bay Road pocket parks.
- **Open Space Landscaping:** Maintaining street medians, alleyways, sound walls, and the Rail Spurs.
- **Trees:** Prune and maintain health of approximately 5,000 trees in public right of ways.
- **Graffiti Abatement Program:** Remove graffiti in public right of way, facilities, bus shelters, parks, regulatory signs, and the pump station.
- **Sidewalks:** Repair broken and uplifted sidewalks to prevent trips and falls.
- **Street:** Maintain existing streets and shoulders, and repair potholes throughout the city.
- **Regulatory Signage:** Install new regulatory signage and repair damaged signage.
- **Red Curb:** Maintain over four (4) miles of red curbs (no parking zones) throughout the City.
- **Traffic Signal:** Ensure proper function of traffic signals at 13 intersections and contract.
- **Street Lighting:** Maintain approximately 900 LED street lights.
- **Illegal Dumping:** Report illegal dumping to the Recology of San Mateo.
- **Street Sweeping Program:** Install new signage; repair damaged signs.

PUBLIC WORKS DEPARTMENT

FY 2018-2019 Budget

Maintenance Division

- **Fleet:** Manage repair and services of Community Development and Public Works Department vehicles.
- **Contract Services:** Manage multiple municipal service contracts.
- **After Hours Emergency:** Respond to afterhours emergencies, and maintain a list of on-call personnel.

SIGNIFICANT CHANGES

FY 2017-2018 to FY 2018-2019 Adopted:

The increase of \$495,105 (18.6%) from the Adopted FY 17-18 Budget to the Amended FY 17-18 Budget is due to increases in capital expenditures (\$386,715) carried from previous year, increases for janitorial and tree service cost, and personnel cost increases.

The decrease of \$137,405 (-4.4%) from the Amended FY 17-18 Budget to the Adopted FY 18-19 Budget is due to personnel and operating cost increases (\$147,815), offset by reduction in capital expenditures (\$431,715).

Fiscal Year (FY)	Budget	\$ Change From Previous FY	% Change From Previous FY
2017-18 Adopted	\$2,659,200		
2017-18 Amended	\$3,154,305	\$495,105	18.6%
2018-19 Adopted	\$3,016,900	(\$137,405)	-4.4%

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POLICE DEPARTMENT

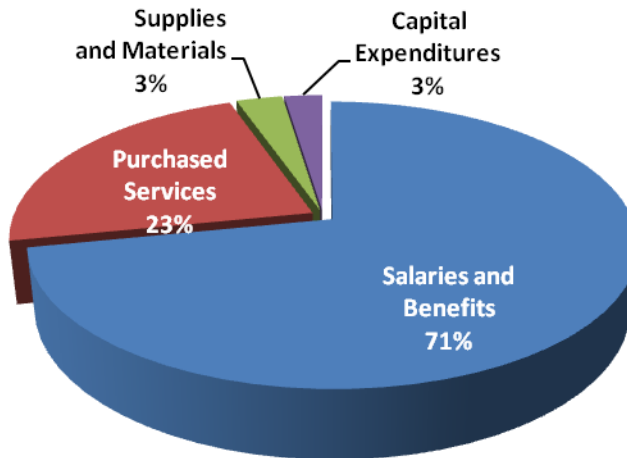
FY 2018-2019 Budget

FY 2018-19

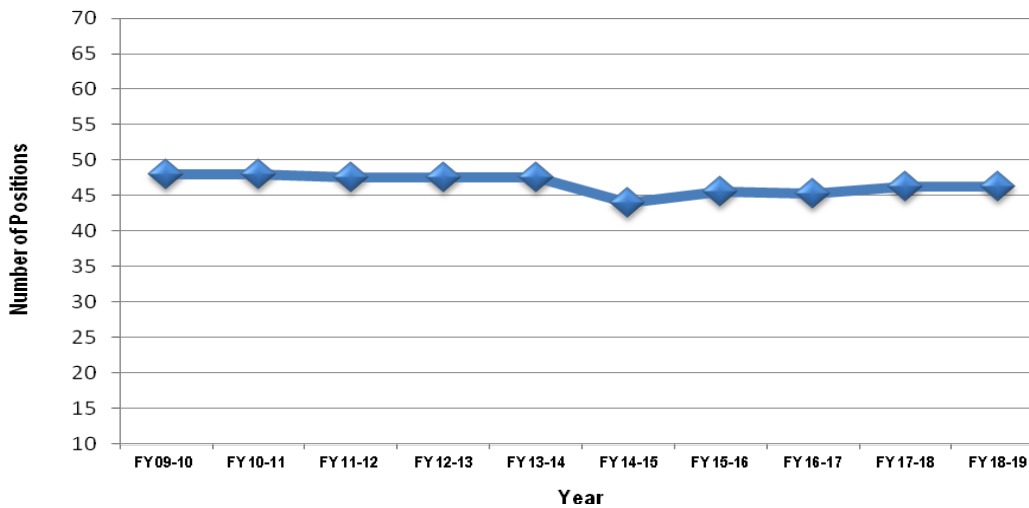
Operating \$ 11,790,210

Positions 46.25

CHARACTER OF EXPENDITURES



AUTHORIZED STRENGTH



POLICE DEPARTMENT

FY 2018-2019 Budget

Department Summary

SOURCES	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
General Fund:					
Charges/Fees for Services	396,290	574,600	480,055	445,700	505,500
Assigned Funds	209,010	345,140	423,125	373,500	252,200
Use of Resources	8,887,110	8,871,935	8,797,000	10,449,370	10,876,810
Special Revenue Funds	827,860	474,120	514,290	157,175	155,700
TOTAL	10,320,270	10,265,795	10,214,470	11,425,745	11,790,210

EXPENDITURES BY DIVISION	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
Administration Division	4,044,890	3,851,550	4,112,760	4,409,175	4,485,210
Investigations Division	1,615,200	1,421,320	1,281,545	1,307,915	1,356,300
Operations Division	4,660,180	4,992,925	4,820,165	5,708,655	5,948,700
TOTAL	10,320,270	10,265,795	10,214,470	11,425,745	11,790,210

CHARACTER OF EXPENDITURES	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
<u>PERSONNEL</u>					
Salaries and Benefits	7,174,725	7,203,080	7,071,870	8,072,170	8,471,100
Subtotal	7,174,725	7,203,080	7,071,870	8,072,170	8,471,100
<u>SUPPLIES AND SERVICES</u>					
Purchased Services	2,615,100	2,668,270	2,510,265	2,712,825	2,686,010
Supplies and Materials	315,005	278,485	279,075	374,750	348,100
Capital Expenditures	215,440	115,960	353,260	266,000	285,000
Subtotal	3,145,545	3,062,715	3,142,600	3,353,575	3,319,110
TOTAL	10,320,270	10,265,795	10,214,470	11,425,745	11,790,210

AUTHORIZED STRENGTH	FY 2014-15 ADOPTED	FY 2015-16 ADOPTED	FY 2016-17 ADOPTED	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
Administration Division	8.00	8.00	8.00	9.00	9.00
Investigations Division	8.00	8.00	8.25	8.25	8.25
Operations Division	28.00	29.50	29.00	29.00	29.00
TOTAL	44.00	45.50	45.25	46.25	46.25

POLICE DEPARTMENT

FY 2018-2019 Budget

Department Summary

MISSION STATEMENT

The Mission of the East Palo Alto Police Department is to provide quality police service and work in partnership with the community to preserve the peace, establish a safe environment and do so with emphasis on mutual trust and respect.

BUDGET ORGANIZATION AND THE STRATEGIC PRIORITIES

The Divisions of the Police Department consist of Administration, Investigations and Operations. The Department currently has a staffing level of 46.25 funded positions (36.45 sworn, 9.8 FTE-civilian).

The emphasis of Fiscal Year 2018-2019 budget is to maintain current service levels to the public. Attention will be focused on the priority of employee and organizational development, as well as community policing and crime reduction. In addition, the department will focus on ongoing maintenance of mandated services for general law enforcement, vehicle abatement and emergency response (as a single agency or in concert with other federal, state, and/or local agencies). The Police Department will strive for successful completion of the following strategic priorities:

Operations:

1. Review of existing policies and creation of new policy manual
2. Assigned vehicles for improved fleet maintenance and accountability
3. Major Accident Investigation Team (MAIT) training
4. Crisis Intervention training for Officers
5. Firearms Force on force training exercise
6. Active shooter practical training exercise
7. Study of Body worn camera use, policies, and case law

Investigations:

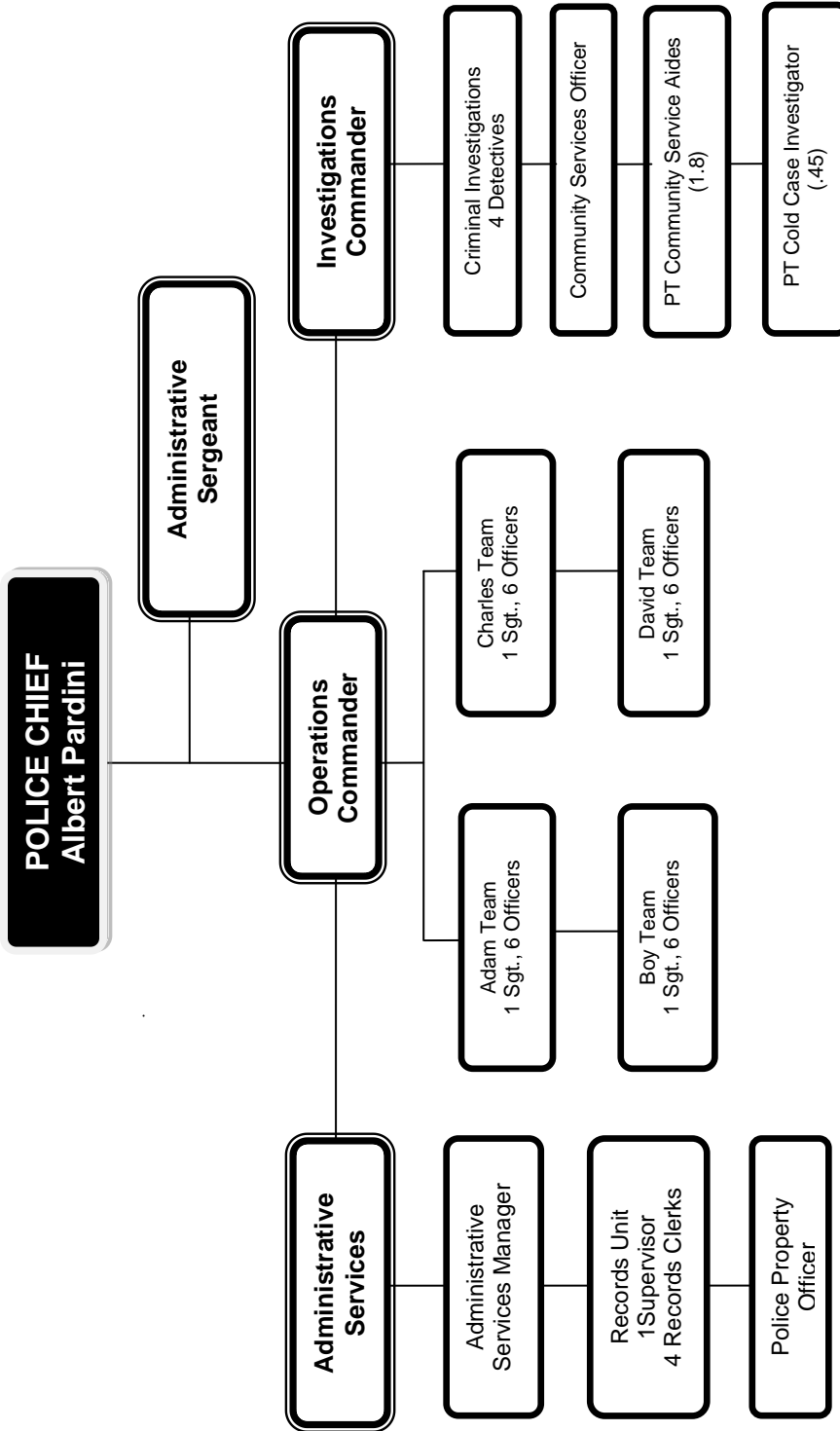
1. Review of existing policies and creation of new policy manual
2. Recertification of the Field Training Program with POST
3. Supporting City Planners work on Medical Marijuana growing & delivery ordinance
4. Reorganization of case and evidence files
5. Auditing the homicide clearance rates for the past several years
6. Assist with the move of Property & Evidence from 2415 University to 219 Demeter
7. Train new CSA's on proper procedures related to citations, reports & community policing

Administration:

1. Review of existing policies and creation of new policy manual
2. Revise warrant entry procedure into RIMS for better tracking
3. Public Records Law training for Records staff
4. Continue with gun inventory audit
5. Provide RIMS training for Officers
6. Purge outdated warrants from the system
7. Purge documents as part of the Records destruction Schedule
8. Provide work place violence & CPR/AED training

POLICE DEPARTMENT

FY 2018-2019 Budget



POLICE DEPARTMENT

FY 2018-2019 Budget

Administration Division

Division Summary

SOURCES

	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
General Fund:					
Charges for Services	29,510	43,645	38,510	40,700	50,500
Assigned Funds	209,010	338,140	395,780	373,500	252,200
Use of Resources	3,425,870	3,411,715	3,571,270	3,919,075	4,076,110
Special Revenue Funds	380,500	58,050	107,200	75,900	106,400
TOTAL	4,044,890	3,851,550	4,112,760	4,409,175	4,485,210

EXPENDITURES BY DIVISION

	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
Administration Division	4,044,890	3,851,550	4,112,760	4,409,175	4,485,210
TOTAL	4,044,890	3,851,550	4,112,760	4,409,175	4,485,210

CHARACTER OF EXPENDITURES

	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
<u>PERSONNEL</u>					
Salaries and Benefits	1,013,030	890,250	1,091,170	1,198,275	1,292,100
Subtotal	1,013,030	890,250	1,091,170	1,198,275	1,292,100
<u>SUPPLIES AND SERVICES</u>					
Purchased Services	2,615,100	2,668,010	2,480,225	2,680,150	2,685,010
Supplies and Materials	200,750	177,330	188,105	264,750	223,100
Capital Expenditures	216,010	115,960	353,260	266,000	285,000
Subtotal	3,031,860	2,961,300	3,021,590	3,210,900	3,193,110
TOTAL	4,044,890	3,851,550	4,112,760	4,409,175	4,485,210

AUTHORIZED STRENGTH

	FY 2014-15 ADOPTED	FY 2015-16 ADOPTED	FY 2016-17 ADOPTED	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
Administration Services Manager	1.00	1.00	1.00	1.00	1.00
Police Chief	1.00	1.00	1.00	1.00	1.00
Police Property Officer	1.00	1.00	1.00	1.00	1.00
Police Record's Clerk I/II	3.00	3.00	3.00	4.00	4.00
Police Record's Supervisor	1.00	1.00	1.00	1.00	1.00
Police Sergeant	1.00	1.00	1.00	1.00	1.00
Re-Entry Temporary Grant Positions	-	-	-	-	-
TOTAL	8.00	8.00	8.00	9.00	9.00

POLICE DEPARTMENT

FY 2018-2019 Budget

Administration Division Summary

SERVICE DESCRIPTION

The Administration Division provides direction, coordination and oversight to police employees and operations involving grants, contracts, policy matters, training, discipline, and purchasing.

Under supervision of the Chief of Police, Professional Conduct Unit-Sergeant and the Administrative Services Manager, the Division is comprised of the Records Section, Property and Evidence Unit. The Administration Division has a direct staffing level of 9 positions.

SIGNIFICANT CHANGES

FY 2017-2018 to FY 2018-2019 Adopted:

The increase of \$139,975 (3.3%) from the Adopted FY 2017-18 Budget to the Amended FY 2017-18 Budget is due to personnel costs and an added Records Clerk I (\$122,075), increased operating costs due to Fit Zones (\$50,000) and grant-funded programs (\$27,000), increased vehicle replacement (\$30,000); offset by reduced service costs due to elimination of canine program and other reductions (\$96,000).

The increase of \$76,035 (1.7%) from the Amended FY 2017-18 Budget to the Adopted FY 2018-19 Budget primarily is due to increased personnel costs (\$93,825) and leasehold improvements to Police station (\$50,000); offset by settlement cost decrease (\$75,000).

Fiscal Year (FY)	Budget	\$ Change From Previous FY	% Change From Previous FY
2017-18 Adopted	\$4,269,200		
2017-18 Amended	\$4,409,175	\$139,975	3.3%
2018-19 Adopted	\$4,485,210	\$76,035	1.7%

POLICE DEPARTMENT

FY 2018-2019 Budget

Investigations Division

Division Summary

SOURCES

General Fund:

Use of Resources

Special Revenue Funds

TOTAL

FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
1,569,850	1,378,575	1,260,305	1,256,815	1,307,000
45,350	42,745	21,240	51,100	49,300
1,615,200	1,421,320	1,281,545	1,307,915	1,356,300

EXPENDITURES BY DIVISION

Investigations Division

TOTAL

FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
1,615,200	1,421,320	1,281,545	1,307,915	1,356,300
1,615,200	1,421,320	1,281,545	1,307,915	1,356,300

CHARACTER OF EXPENDITURES

PERSONNEL

Salaries and Benefits

Subtotal

FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
1,615,490	1,421,245	1,279,690	1,295,415	1,345,300
1,615,490	1,421,245	1,279,690	1,295,415	1,345,300

SUPPLIES AND SERVICES

Purchased Services

Supplies and Materials

Subtotal

TOTAL

280	75	1,580	2,500	1,000
(570)	-	275	10,000	10,000
(290)	75	1,855	12,500	11,000
1,615,200	1,421,320	1,281,545	1,307,915	1,356,300

AUTHORIZED STRENGTH

Commander

Police Officer *

Community Services Officer**

Cold Case Investigator (PT)

Community Service Aide (4 PT)***

TOTAL

FY 2014-15 ADOPTED	FY 2015-16 ADOPTED	FY 2016-17 ADOPTED	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
1.00	1.00	1.00	1.00	1.00
7.00	7.00	4.00	4.00	4.00
0.00	0.00	1.00	1.00	1.00
0.00	0.00	0.45	0.45	0.45
0.00	0.00	1.80	1.80	1.80
8.00	8.00	8.25	8.25	8.25

*Positions transferred to Operations Division.

**Position transferred from Operations Division.

***Three part-time positions transferred from Operations; additional position added in FY 16-18.

POLICE DEPARTMENT

FY 2018-2019 Budget

Investigations Division Summary

SERVICE DESCRIPTION

The Investigations Division conducts all major criminal investigations, including homicides and aggravated assaults.

Under the direct supervision of the Criminal Investigations Commander, the Investigations Division is comprised of (4) Police Officers (Detectives), a Community Services Officer, a part-time Cold Case detective, and four (4) part-time community service aides. Police Officers assigned to the Investigations Division include 4 detectives assigned to criminal investigations, and a Part-time/ Grant Funded Detective Investigating “Cold Case” Homicides.

SIGNIFICANT CHANGES

FY 2017-2018 to FY 2018-2019 Adopted:

The increase of \$49,425 (3.9%) from the Adopted FY 2017-18 Budget to the Amended FY 2017-18 Budget is due primarily to an increase in personnel costs.

The increase of \$48,385 (3.7%) from the Amended FY 2017-18 Budget to the Adopted FY 2018-19 Budget is due primarily to an increase in personnel costs.

Fiscal Year (FY)	Budget	\$ Change From Previous FY	% Change From Previous FY
2017-18 Adopted	\$1,258,490		
2017-18 Amended	\$1,307,915	\$49,425	3.9%
2018-19 Adopted	\$1,356,300	\$48,385	3.7%

POLICE DEPARTMENT

FY 2018-2019 Budget

Operations Division

Division Summary

SOURCES

	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
General Fund:					
Charges/Fees for Services	366,780	530,955	441,545	405,000	455,000
Assigned Funds	-	7,000	27,345	-	-
Use of Resources	3,891,390	4,081,645	3,965,425	5,273,480	5,493,700
Special Revenue Funds	402,010	373,325	385,850	30,175	-
TOTAL	4,660,180	4,992,925	4,820,165	5,708,655	5,948,700

EXPENDITURES BY DIVISION

	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
Operations Division	4,660,180	4,992,925	4,820,165	5,708,655	5,948,700
TOTAL	4,660,180	4,992,925	4,820,165	5,708,655	5,948,700

CHARACTER OF EXPENDITURES

	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
<u>PERSONNEL</u>					
Salaries and Benefits	4,546,205	4,891,585	4,701,010	5,578,480	5,833,700
Subtotal	4,546,205	4,891,585	4,701,010	5,578,480	5,833,700
<u>SUPPLIES AND SERVICES</u>					
Purchased Services	-	185	28,460	30,175	-
Supplies and Materials	113,975	101,155	90,695	100,000	115,000
Subtotal	113,975	101,340	119,155	130,175	115,000
TOTAL	4,660,180	4,992,925	4,820,165	5,708,655	5,948,700

AUTHORIZED STRENGTH

	FY 2014-15 ADOPTED	FY 2015-16 ADOPTED	FY 2016-17 ADOPTED	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
Commander	1.00	1.00	1.00	1.00	1.00
Police Sergeant	4.00	4.00	4.00	4.00	4.00
* Police Officer	21.00	21.00	24.00	24.00	24.00
** Code Enforcement Officer II	1.00	1.00	-	-	-
*** Community Service Officer	1.00	1.00	-	-	-
*** Community Service Aide (3 PT)	-	1.50	-	-	-
TOTAL	28.00	29.50	29.00	29.00	29.00

* Positions transferred from Investigations Division.

** Position transferred to Building Services Division.

*** Positions transferred to Investigations Division.

POLICE DEPARTMENT

FY 2018-2019 Proposed Budget

Operations Division Summary

SERVICE DESCRIPTION

The Operations Division provides effective police services throughout the City, handles calls for service, engages in problem-solving with the community, and keeps the peace.

Under direction of the Chief of Police, the Operations Division is led by (1) Commander. The Operations Division performs police patrols, calls for service response, traffic enforcement, and special enforcement activities. The Operations Division has a direct staffing level of 29 positions.

SIGNIFICANT CHANGES

FY 2017-2018 to FY 2018-2019 Adopted:

The increase of \$14,545 (0.3%) from the Adopted FY 2017-18 Budget to the Amended FY 2017-18 Budget is due to reduced personnel costs (\$15,630) offset by grant-funded operating costs (\$30,175).

The increase of \$240,045 (4.2%) from the Amended FY 2017-18 Budget to the Adopted FY 2018-19 Budget is due to step and benefit personnel cost increases (\$255,220) offset by reductions in other operating costs.

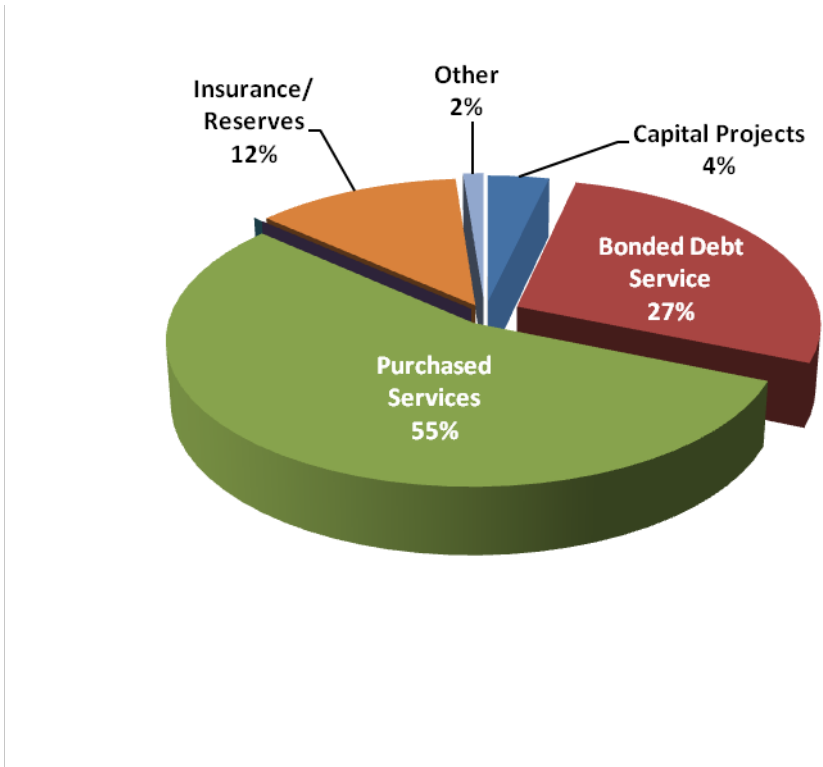
Fiscal Year (FY)	Budget	\$ Change From Previous FY	% Change From Previous FY
2017-18 Adopted	\$5,694,110		
2017-18 Amended	\$5,708,655	\$14,545	0.3%
2018-19 Adopted	\$5,948,700	\$240,045	4.2%

NON-DEPARTMENTAL

FY 2018-2019 Budget

FY 2018-19
Operating \$6,193,160

CHARACTER OF EXPENDITURES



NON-DEPARTMENTAL

FY 2018-2019 Budget

Department Summary

SOURCES

	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
General Fund:					
Assigned	658,275	381,140	280,835	576,295	725,000
Use of Fund Reserves	490,710	532,680	410,175	473,700	992,010
Special Revenue Funds	83,790	109,145	183,945	266,150	270,800
Capital Improvement Funds	-	-	139,890	-	-
Enterprise Funds	2,426,120	2,414,545	2,488,975	2,420,700	2,434,000
Successor and Pension Trusts	2,424,630	1,892,710	939,450	1,777,700	1,771,350
	6,083,525	5,330,220	4,443,270	5,514,545	6,193,160

CHARACTER OF EXPENDITURES

	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 AMENDED	FY 2018-19 ADOPTED
Capital Technology/Depreciation	371,840	278,345	195,295	296,295	225,000
Subtotal	371,840	278,345	195,295	296,295	225,000
Debt Service and Related (Successor)	2,053,330	1,767,285	629,210	1,688,200	1,691,350
Subtotal	2,053,330	1,767,285	629,210	1,688,200	1,691,350
Insurance and Settlements	258,150	258,070	225,010	280,000	450,000
Subtotal	258,150	258,070	225,010	280,000	450,000
Other Non-Departmental:					
Purchased Services	3,054,450	2,872,220	3,039,840	3,160,550	3,391,800
Benefits and Other Reserves	955	-	-	-	300,000
Supplies and Materials	47,160	32,025	40,020	-	50,000
401k Pension Distributions	259,855	92,435	210,655	-	-
Low Income Housing Loan	-	-	52,500	60,000	60,000
Other Expenditures	37,785	29,840	50,740	29,500	25,010
Subtotal	3,400,205	3,026,520	3,393,755	3,250,050	3,826,810
TOTAL	6,083,525	5,330,220	4,443,270	5,514,545	6,193,160

Detail of Major Purchased Services:

Residential Garbage Services	2,203,680	2,084,215	2,207,125	2,400,000	2,400,000
Street Sweeping Services	-	113,820	140,880	155,000	160,000
Leases and Other Property Services	183,995	198,060	199,005	212,500	443,500
JPA Dues & Other Memberships	170,670	262,470	258,780	288,000	310,000
County Property Tax Administration	58,060	64,410	66,350	95,050	78,300
Lobbying and IT Services	382,975	102,145	-	-	-
Other Miscellaneous	55,070	47,100	167,700	10,000	-
Total	3,054,450	2,872,220	3,039,840	3,160,550	3,391,800

*Excludes Major Capital Improvement Projects and Departmental Capital

Miscellaneous

Introduction

This section contains the following items of interest:

MISC-3: Resolution No. 4977 establishing the
Appropriation Limit for FY 2018-19

MISC-9: Resolution No. 4976 adopting the FY 2018-19
Operating and Capital Budget

MISC-12: FY 2018-19 Adopted Capital Improvement
Funding

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RESOLUTION NO. 4977

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO
ESTABLISHING THE APPROPRIATION LIMIT FOR
FISCAL YEAR 2018-2019 at \$36,135,951**

WHEREAS, the City of East Palo Alto is required to adopt a limit on appropriations subject to a formula outlined in Article XIII B of the California Constitution; and

WHEREAS, the California Constitution requires a method of inflation be chosen; and

WHEREAS, the City elects to use the following factors relevant to the calculation of the Appropriation Limit for FY 2018-2019:

- Assessed Valuation Change: Plus 19.2% (+ Nineteen Point Two Percent)
- Population Adjustment: Plus 0.65% (+ Point Six Five Percent)

WHEREAS, a resolution establishing the annual appropriation limit is to be adopted at a regularly scheduled meeting of the City Council.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO:

1. The Appropriation Limit for Fiscal Year 2018-19 shall be and is hereby set at \$36,135,951 pursuant to Exhibit A attached hereto, and incorporated herein by this reference.
2. The Appropriation Limit of \$36,135,951 exceeds the Appropriations Subject to Limitation calculated in the amount of \$26,544,730 by \$9,591,221. Therefore, the City of East Palo Alto is in compliance with the provisions of Article XIII B of the State Constitution.

PASSED AND ADOPTED this 19th day of June 2018, by the following vote:

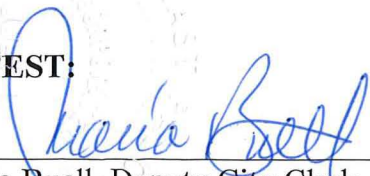
AYES: ROMERO, RUTHERFORD, ABRICA, MOODY
NOES: NONE
ABSENT: GAUTHIER
ABSTAIN: NONE

SIGNED:



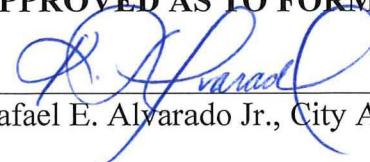
Ruben Abrica, Mayor

ATTEST:



María Buell, Deputy City Clerk

APPROVED AS TO FORM:



Rafael E. Alvarado Jr., City Attorney

CITY OF EAST PALO ALTO
Appropriation Limitation Calculation
2018-19

EXHIBIT A

Executive Summary

An annual calculation of the City's appropriation limitation is required by Article XIIB of the California Constitution. City expenditures may increase only in relation to changes in per capita income or growth in non-residential assessment valuation, whichever is greater, and the population change for the City or County, whichever is greater.

The City's 2018-19 proposed budget appropriations that are subject to limitation are \$10,334,046. million under the limitation as shown below:

I. Determination of Appropriation Limit:

2018-19 Appropriation Limit (Schedule 3)	\$ 36,135,951
--	---------------

II. Determination of Appropriations Subject to Limitation:

2018-19 Revenue Sources for Appropriations (Schedule 2)	\$ 39,401,700
Deductions of Exempt Revenues and Qualified Capital (Schedule 1)	<u>(12,856,970)</u>

2018-19 Appropriations Subject to Limitation (Schedule 1)	<u>\$ 26,544,730</u>
---	----------------------

III. Amount Under/(Over) Appropriation Limit (I-II)	<u>\$ 9,591,221</u>
---	---------------------

IV. Remaining Capacity as a Percent of FY 2018-19 Limit	<u>26.54%</u>
---	---------------

CITY OF EAST PALO ALTO
CALCULATION OF APPROPRIATIONS SUBJECT TO LIMITATION
2018-19

Total Revenue Sources For Appropriations (Schedule 2)	<u>\$ 39,401,700</u>
<u>Exclusions:</u>	
Non-Proceeds of Taxes (Schedule 2)	(12,656,970)
Qualifying Capital Outlay	<u>(200,000)</u>
Total Exclusions	<u>(12,856,970)</u>
Net Revenue Sources Subject to Limitation	<u><u>\$ 26,544,730</u></u>

CITY OF EAST PALO ALTO
SUMMARY OF REVENUES-BY CATEGORY
2018-19

SCHEDULE 2

	Budgeted Proceeds of Tax	Budgeted Non-Proceeds of Tax	Total Revenues
Taxes			
Property Taxes	\$ 14,516,500	2,590,000	\$ 17,106,500
Sales and Use Tax	6,120,000		6,120,000
Utility Users Tax	1,520,000		1,520,000
Transient Occupancy Tax	3,100,000		3,100,000
Other Taxes	15,000	\$ 1,373,900	1,388,900
	<u>\$ 25,271,500</u>	<u>\$ 3,963,900</u>	<u>\$ 29,235,400</u>
Franchise Fees			
Franchise Fees	\$ -	\$ 1,050,000	\$ 1,050,000
Licenses, Fees, and Permits			
Business License	\$ 1,175,000	\$ -	\$ 1,175,000
Building and Other Permits		375,000	375,000
Rent Stabilization Fees		520,000	520,000
NPDES		130,000	130,000
Water Capital Fees		840,000	840,000
Development Technology Fees		30,000	30,000
	<u>\$ 1,175,000</u>	<u>\$ 1,895,000</u>	<u>\$ 3,070,000</u>
Fines and Forfeitures			
Vehicle Code and Parking Fines	\$ -	\$ 415,000	\$ 415,000
Other Fees and Fines		40,000	40,000
	<u>\$ -</u>	<u>\$ 455,000</u>	<u>\$ 455,000</u>
Grants and Intergovernmental			
California SLESF	\$ -	\$ 100,000	\$ 100,000
California Department of Aging		43,500	\$ 43,500
Subventions and Reimbursements	42,400	35,000	77,400
	<u>\$ 42,400</u>	<u>\$ 178,500</u>	<u>\$ 220,900</u>
Charges for Current Services			
Solid Waste and Recycling Charges	\$ -	\$ 2,330,000	\$ 2,330,000
Building Charges		\$ 325,000	\$ 325,000
Engineering Charges		595,000	595,000
Planning Charges		759,500	759,500
Police Services		35,500	35,500
Miscellaneous Charges		20,500	20,500
	<u>\$ -</u>	<u>\$ 4,065,500</u>	<u>\$ 4,065,500</u>

CITY OF EAST PALO ALTO
SUMMARY OF REVENUES-BY CATEGORY
2018-19

SCHEDULE 2

	Budgeted Proceeds of Tax	Budgeted Non-Proceeds of Tax	Total Revenues
Use of Money and Property (ex. Interest)			
Loan Interest		\$ 182,500	\$ 182,500
Facility Use and Leases		385,000	385,000
	\$ -	\$ 567,500	\$ 567,500
Other Miscellaneous			
Solid Waste Reimbursements		\$ 265,000	\$ 265,000
Loan Proceeds and Reimbursements		60,000	60,000
Other		35,500	35,500
	\$ -	\$ 360,500	\$ 360,500
Operating Budget Subtotal	\$ 26,488,900	\$ 12,535,900	\$ 39,024,800
Percent of Total	67.88%	32.12%	100.00%
Interest Allocation	\$ 255,830	\$ 121,070	\$ 376,900
TOTAL	\$ 26,744,730	\$ 12,656,970	\$ 39,401,700

CITY OF EAST PALO ALTO
 APPROPRIATIONS LIMIT COMPUTATION
 CUMULATIVE GROWTH RATE
 2018-19

FISCAL YEAR	BEGINNING LIMIT	POPULATION FACTOR	PER CAPITA INCOME FACTOR	ASSESSED VALUATION CHANGE FACTOR	ENDING LIMIT
1999-00	4,886,747	1.0038	1.0453	N/A	5,127,527
2000-01	5,127,527	1.1744 ¹	1.0491	N/A	6,317,437
2001-02	6,317,437	1.0099	1.0782	N/A	6,878,894
2002-03	6,878,894	1.0470	N/A	1.1408	8,216,272
2003-04	8,216,272	0.9956	N/A	1.0262	8,394,440
2004-05	8,394,440	1.0060	N/A	1.2956	10,941,091
2005-06	10,941,091	1.0123	N/A	1.3297	14,727,314
2006-07	14,727,314	1.0100	1.0396	N/A	15,463,621
2007-08	15,463,621	1.0139	1.0442	N/A	16,371,558
2008-09	16,371,558	1.0126	N/A	1.0920	18,103,000
2009-10	18,103,000	1.0121	N/A	1.1120	20,374,116
2010-11	20,374,116	1.0117	N/A	1.0080	20,777,393
2011-12	20,777,393	1.0080	N/A	0.9810	20,545,684
2012-13	20,545,684	1.0098	1.0377	N/A	21,529,194
2013-14	21,529,194	1.0109	1.0512	N/A	22,878,172
2014-15	22,878,172	1.0117	N/A	1.1160	25,830,765
2015-16	25,830,765	1.0100	1.0382	N/A	27,085,675
2016-17	27,085,675	1.0091	1.0537	N/A	28,799,892
2017-18	28,799,892	1.0056	N/A	1.0400	30,119,618
2018-19	30,119,618	1.0065	N/A	1.1920	36,135,951

Sources: State Dept. of Finance, Budget Resolutions & Prior Year Appropriation Limits, San Mateo County Assessor's Office

¹ Corrected population growth based on Dept of Finance population of 25,568 for 1/1/99 and 30,027 for 1/1/00

N/A = Not applicable; calculation formula uses the higher of per capita or assessed valuation factors multiplied by population factor.

RESOLUTION NO. 4976

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO
ADOPTING THE FISCAL YEAR 2018-19 REVENUE AND EXPENDITURE
BUDGET FOR THE CITY OF EAST PALO ALTO**

WHEREAS, City Council desires a spending plan for the City of East Palo Alto General, Special Revenue, Capital, Fiduciary, and Enterprise Funds in order to account for Fiscal Year 2018-19 anticipated revenues and to appropriate projected expenditures; and,

WHEREAS, the City of East Palo Alto Municipal Code section 3.08.110 requires the adoption of an annual budget no later than June 30th prior to the beginning of the fiscal year; and,

WHEREAS, the City Council held Budget Hearing Sessions between May 29, 2018 and May 31, 2018, including a final Budget Hearing on this date whereby such hearings were held to discuss the City's anticipated revenues and expenditure programs and to obtain public comment regarding the Fiscal Year 2018-19 Budget including capital funding and expenditures; and,

WHEREAS, such public hearings were duly noticed not less than seven days nor more than 21 days prior to the first hearing held on May 29, 2018 in accordance with East Palo Alto Municipal Code section 3.08.070; and,

WHEREAS, the City Council further authorizes the use of available Reserve Balances totaling \$1,017,790, and the Finance Director asserts such funds are available, in order to fund certain capital improvements and other restricted fund operating deficits, as follows:

FY 2018-19 BUDGETED USE OF FUND RESERVES		
Fund	Description	Use of Reserves
204	Rent Stabilization	\$ (68,300)
209	Housing Assistance Program	\$ (1,400)
213	Police Grants	\$ (5,700)
232	Parcel Tax (Measure C)	\$ (352,340)
233	Silicon Valley Community	\$ (156,000)
301	Capital Improvement Fund	\$ (360,000)
520	Garbage Service Fund	\$ (74,050)
TOTAL OF ALL FUNDS		\$ (1,017,790)

NOW, THEREFORE, BE IT RESOLVED by the City Council that the FY 2018-19 Budget is hereby adopted as follows:

CITY OF EAST PALO ALTO							
FY 2018-19 ADOPTED BUDGET SUMMARY BY FUND							
Fund	Description	Operating		Capital Improvement	Operating Transfers		Net Change Fund Balance
		Revenues	Expenditures		In	Out	
010	General Fund	\$ 27,035,000	\$ (22,390,250)	\$ (1,000,000)	\$ -	\$ (3,324,750)	\$ 320,000
011	IT Replacement Fund	\$ -	\$ (660,000)	\$ (225,000)	\$ 893,500	\$ -	\$ 8,500
012	Equipment & Vehicles	\$ -	\$ (277,200)	\$ -	\$ 277,200	\$ -	\$ -
013	Self Insurance	\$ -	\$ (500,000)	\$ -	\$ 500,000	\$ -	\$ -
015	Contingency Reserve	\$ -	\$ -	\$ -	\$ 250,000	\$ -	\$ 250,000
016	Community Dev/Benefit	\$ 1,425,000	\$ (1,800,000)	\$ -	\$ 375,000	\$ -	\$ -
	ELIMINATING ENTRY	\$ -	\$ -	\$ -	\$ (2,295,700)	\$ 2,295,700	\$ -
	TOTAL GENERAL FUND	\$ 28,460,000	\$ (25,627,450)	\$ (1,225,000)	\$ -	\$ (1,029,050)	\$ 578,500
201	State Gas Tax	\$ 1,313,900	\$ (680,800)	\$ (570,000)	\$ 64,500	\$ -	\$ 127,600
202	Measure A	\$ 640,000	\$ (23,580)	\$ -	\$ -	\$ -	\$ 616,420
203	NPDES	\$ 214,500	\$ (441,650)	\$ -	\$ 227,150	\$ -	\$ -
204	Rent Stabilization	\$ 532,500	\$ (600,800)	\$ -	\$ -	\$ -	\$ (68,300)
206	Park In Lieu	\$ 9,000	\$ -	\$ -	\$ -	\$ -	\$ 9,000
207	Housing In Lieu	\$ 362,500	\$ (32,600)	\$ -	\$ -	\$ -	\$ 329,900
208	Public Improvements In Lieu	\$ 33,000	\$ -	\$ -	\$ -	\$ -	\$ 33,000
209	Housing Assistance Program	\$ 10,000	\$ (11,400)	\$ -	\$ -	\$ -	\$ (1,400)
211	USEPA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
213	Police Grants	\$ 100,000	\$ (105,700)	\$ -	\$ -	\$ -	\$ (5,700)
215	Misc Federal and State Grant	\$ 43,500	\$ (43,500)	\$ -	\$ -	\$ -	\$ -
221	Lighting District	\$ 598,500	\$ (223,600)	\$ -	\$ -	\$ -	\$ 374,900
222	Drainage District	\$ 105,400	\$ (192,800)	\$ -	\$ 87,400	\$ -	\$ -
230	Local Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
231	CYSFF Grant Fund	\$ 318,900	\$ (206,900)	\$ -	\$ -	\$ -	\$ 112,000
232	Parcel Tax (Measure C)	\$ -	\$ (352,340)	\$ -	\$ -	\$ -	\$ (352,340)
233	Silicon Valley Community	\$ -	\$ (156,000)	\$ -	\$ -	\$ -	\$ (156,000)
301	Capital Improvement Fund	\$ -	\$ (530,000)	\$ (280,000)	\$ 450,000	\$ -	\$ (360,000)
510	Water Service Fund	\$ 360,000	\$ (224,400)	\$ -	\$ -	\$ -	\$ 135,600
511	Water Capital Fund	\$ 550,000	\$ -	\$ -	\$ -	\$ -	\$ 550,000
512	Water Meter Fund	\$ 305,000	\$ -	\$ -	\$ -	\$ -	\$ 305,000
520	Garbage Service Fund	\$ 2,603,500	\$ (2,677,550)	\$ -	\$ -	\$ -	\$ (74,050)
926	Gateway Lo-Mod Housing	\$ 55,000	\$ (32,000)	\$ -	\$ 120,000	\$ -	\$ 143,000
927	University Circle Lo-Mod Hou	\$ 2,500	\$ -	\$ -	\$ -	\$ -	\$ 2,500
928	Ravenswood Lo-Mod Housing	\$ 67,500	\$ (62,600)	\$ -	\$ 80,000	\$ -	\$ 84,900
	SUBTOTAL CITY OPERATING FUNDS	\$ 36,685,200	\$ (32,225,670)	\$ (2,075,000)	\$ 1,029,050	\$ (1,029,050)	\$ 2,384,530
715	Pension Trust	\$ 9,000	\$ (9,000)	\$ -	\$ -	\$ -	\$ -
920	Successor Agency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
921	Successor Agency	\$ 1,285,000	\$ -	\$ -	\$ -	\$ (685,000)	\$ 600,000
922	Successor Agency	\$ 1,125,000	\$ -	\$ -	\$ -	\$ (1,125,000)	\$ -
923	Successor Agency	\$ 290,000	\$ (180,000)	\$ -	\$ 170,000	\$ -	\$ 280,000
984	2015 Refunding Bonds	\$ 7,500	\$ (1,632,350)	\$ -	\$ 1,640,000	\$ -	\$ 15,150
	SUBTOTAL TRUST FUNDS	\$ 2,716,500	\$ (1,821,350)	\$ -	\$ 1,810,000	\$ (1,810,000)	\$ 895,150
	TOTAL OF ALL FUNDS	\$ 39,401,700	\$ (34,047,020)	\$ (2,075,000)	\$ 2,839,050	\$ (2,839,050)	\$ 3,279,680

AND, BE IT FURTHER RESOLVED that, collectively, such appropriations are passed and adopted as the "FY 2018-19 Adopted Budget".

PASSED AND ADOPTED this 19th day of June 2018, by the following vote:

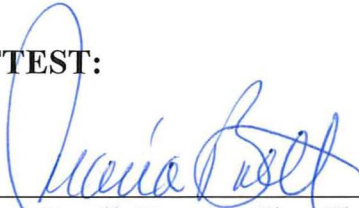
AYES: RUTHERFORD, ROMERO, ABRICA, MOODY
NAES: NONE
ABSENT: GAUTHIER
ABSTAIN: NONE

SIGNED:



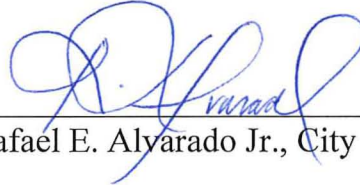
Ruben Abrica, Mayor

ATTEST:



Maria Buell, Deputy City Clerk

APPROVED AS TO FORM:



Rafael E. Alvarado Jr., City Attorney

FY 2018-2019 Budget Capital Improvement Funding

PROJECT	FUND	SOURCE	TOTAL
Major Improvements	F010	General Fund	\$ 1,000,000
Sub-total General Fund			\$ 1,000,000
SB 1 Street Funding	F201	SB1 Funds	\$ 570,000
Sub-total State Gas Tax			\$ 570,000
City Hall Improvements	F301	GF - ERAF Transfer	\$ 200,000
Back Up Generator	F301	GF - ERAF Transfer	\$ 80,000
Sub-total Capital Transfers			\$ 280,000
TOTAL FY 2018-19 PROPOSED CIP FUNDING			\$ 1,850,000

Note:

Major CIP does not include certain capital studies and JPA payments budgeted in Departmental budgets.

Glossary

AB x1 26 - legislation adopted and signed by Governor Jerry Brown in June 2011 and upheld by the California Supreme Court in California Redevelopment Association, et al. v. Ana Matosantos, et al., which eliminated redevelopment agencies. As a result, the Redevelopment Agency of the City of East Palo Alto (RDA) was dissolved effective February 1, 2012. AB x1 26 provides that the City may become the Successor Agency to the Redevelopment Agency (affirmed by the City Council on January 10, 2012), and continue to satisfy “enforceable obligations” of the former RDA and administer the dissolution and wind down of the former RDA

AB 1484 - legislation adopted and signed by Governor Jerry Brown in June 2012 that amended various provisions of AB x1 26.

ADOPTED BUDGET - The City budget for a fiscal year, adopted by the City Council by resolution following the close of budget hearings.

APPROPRIATION - Legal authorization granted by City Council or other policy body to make expenditures and incur obligations for a specific purpose within a specific time frame.

ASSESSED VALUATION - A dollar value placed on real estate or other property by the County as a basis for levying property taxes.

AUDIT - A review of the City's accounts by an independent auditing firm to substantiate fiscal year-end balances and assure compliance with generally accepted standards for financial accounting and reporting.

AVAILABLE FUND BALANCE - The amount of fund balance available to finance appropriation requirements after deducting reserves.

BOND PROCEEDS - The money paid to the issuer by the purchaser or underwriter of a new issue of municipal securities. These moneys are used to finance the project or purpose for which the securities were issued and to pay certain costs of issuance as may be provided in the bond contract.

BONDS - A certificate of debt issued by an entity, guaranteeing payment of the original investment, plus interest, by a specified future date.

BUDGET - A plan of financial operation, embodying an estimate of expenditures/ expenses for a given period (typically a fiscal year) and the means of financing them (revenue estimates). Upon approval by the City Council, the budget appropriation resolution is the legal basis for expenditures in the fiscal year.

BUDGET AUTHORITY - Under certain circumstances, the City Council may adjust the budgeted appropriations for reasons unforeseen at the time of the adoption of the original budget. Such amendments are made by Council resolution. The City Manager may make transfers of appropriations within a fund.

BUDGETARY CONTROL - The control or management of a government or enterprise in accordance with an approved budget to keep expenditures within the limitations of available appropriations and available revenues.

BUSINESS LICENSE TAX - This is a general tax on businesses for the privilege of conducting business within the city. Rates are set at each city's discretion but may not be discriminatory or confiscatory.

CAPITAL IMPROVEMENT BUDGET - Annual appropriations for capital improvement projects such as street improvements, building construction and various kinds of major facility maintenance. Capital projects are outlined in a five-year expenditure plan which details funding sources and expenditure amounts. They often are multi-year projects which require funding beyond the one-year period of the annual budget.

CAPITAL OUTLAY - Expenditures which result in the acquisition of, or addition to, fixed assets.

CAPITAL PROJECT - Any project having assets of significant value and a useful life of five years or more. Capital projects include the purchase of land, design, engineering, and construction of buildings, infrastructure such as streets, bridges, drainage, street lighting, water/sewer systems, etc. Capital projects may include the acquisition of heavy equipment management control technique of formal

budgetary and machinery or rolling stock using capital funding sources.

CAPITAL PROJECTS FUND - A fund created to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

CAPITALIZATION POLICY - The criteria used by a government to determine which outlays should be reported as fixed assets.

CASH WITH FISCAL AGENT - An asset account reflecting deposits with fiscal agents, such as commercial banks, for the payment of bond principal and interest.

CAPITAL INVESTMENT PROGRAM (CIP) - A section in the five-year capital plan listing projects for which some level of funding is available.

COMMUNITY ORIENTED POLICING SERVICES (COPS) - A grant program supporting community involvement offered by the U.S. Department of Justice.

CONSUMER PRICE INDEX (CPI) - A statistical description of price levels provided by the U.S. Department of Labor. The change in this index from year to year is used to measure the cost of living and economic inflation.

CONTINGENCY - An amount of money appropriated for unforeseen expenditures. It is limited to not more than 15% of the appropriations in any fund.

CURRENT SERVICE CHARGES - These are charges imposed to support services provided to individuals. These charges may not exceed the cost of providing the service plus overhead. The rationale behind service charges is that certain services are primarily for the benefit of individuals rather than the general public.

DEBT SERVICE - Payment of the principal and interest on an obligation resulting from the issuance of bonds, notes or leasing arrangements.

DEBT SERVICE FUND - A fund established to account for the accumulation of resources for, and

the payment of, general long term debt principal and interest.

DEFICIT - An excess of expenditures or expenses over revenues (resources).

DEPARTMENT - An organizational unit comprised of divisions or programs. It is the basic unit of service responsibility encompassing a broad mandate of related activities.

DEPRECIATION - (1) Expiration in the service life of fixed assets, other than wasting assets, attributable to wear and tear, deterioration, action of the physical elements, inadequacy and obsolescence. (2) The portion of the cost of a fixed asset, other than wasting assets, charged as an expense during a particular period. In accounting for depreciation, the cost of a fixed asset, less any salvage value, is prorated over the estimated service life of such an asset, and each period is charged with a portion of such cost. Through this process, the entire cost of the asset is ultimately charged off as an expense.

DESIGNATED FUND BALANCE- A portion of an unreserved fund balance that has been "earmarked" by the City Manager or the City Council for specified purposes.

DESIGNATION - An account containing money set aside by the City Council for a specific future use. Money in a designation is earmarked for specific use, but may not be legally restricted to that use.

DEVELOPMENT IMPACT FEES - Fees placed on the development of land or conditions required for the approval of a development project such as the donation ("dedication" or "exaction") of certain lands (or money) to specific public uses. The fees are typically justified as an offset to the future impact that development will have on existing infrastructure.

DIVISION - A sub-section (or activity) within a department which furthers the objectives of the City by providing specific services or programs.

ENCUMBERANCE - An anticipated expenditure committed for the payment of goods and services not yet received or paid for. Used in budgeting, encumbrances are not GAAP expenditures or liabilities, but represent the estimated amount of

expenditures ultimately to result if unperformed contracts in process are completed.

ENTERPRISE FUND - A fund established to account for operations financed and operated in a manner similar to private business enterprises (e.g., water, gas and electric utilities, airports, parking garages, or transit systems). In this case the governing body intends that costs (i.e., expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. A fund established because the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management controls, accountability or other purposes.

ERAF - Educational Revenue Augmentation Fund. The state enacted legislation in 1992 whereby partial responsibility of funding education was shifted to local governments, directing specified amounts of local agency property taxes to be deposited into such funds to support schools.

EXCESS ERAF REFUND - Accounts for the remaining funds in ERAF account after the County of San Mateo has met the State's revenue limits for schools and community colleges. The revenue limit is based on several factors such as average daily attendance and cost of living increases. The excess is then refunded proportionally to each agency's contribution based on state statute.

EXPENDITURES - Monies spent, including current operating expenses, debt service and capital outlays.

EXPENSE - The actual spending of funds by an enterprise fund set aside by an appropriation.

FINES FORFEITURES AND PENALTIES - Revenues received and/or bail monies forfeited upon conviction of a misdemeanor or municipal infraction.

FISCAL YEAR - In accounting terms, it is the net of a twelve-month period used for budgeting and accounting purposes. For the City of East Palo Alto, the fiscal year is from July 1 to June 30.

FIXED ASSETS - Long-lived tangible assets obtained or controlled as a result of past transactions, events or circumstances. Fixed assets include buildings, equipment, and improvements other than buildings and land. In the private sector, these assets are referred to most often as property, plant and equipment.

FORFEITURE- See Fines, forfeitures, and penalties.

FRANCHISES FEES- Fees paid to a municipality from a franchisee for "rental" or as a "toll" for the use of city streets and rights-of-way. The businesses required to pay franchise fees in East Palo Alto include utilities such as water, gas, electricity, cable television and solid waste collection and disposal. Telephone utilities are specifically exempted from franchise fees by State law.

FULL-TIME EQUIVALENT (FTE) - The amount of time a regular full or part-time position has been budgeted for in terms of the amount of time an employee works in a year. Except as noted, part-time services provided by casual/seasonal employees, such as those for summer recreation programs, are not included.

FUND - An independent fiscal and accounting entity with a self-balancing set of accounts. Examples are the General Fund, Special Revenue Funds, Capital Projects, Enterprise, and Internal Service Funds.

FUND BALANCE - The amount of financial resources available for use. Generally, this represents a summary of all the annual operating surpluses and deficits since the fund's inception.

FY - Fiscal year.

GASOLINE TAX (HIGHWAY USERS TAX) - The Gasoline Tax is a 26-cent per gallon tax on fuel used to propel a motor vehicle or aircraft. The use of these revenues is restricted to "research, planning, construction, improvement, maintenance, and operation of public streets and

highways or public mass transit guideways”. The basic means of distribution to cities is population. The allocation formula is very complicated.

GENERAL FUND - The primary fund used to account for all revenues and expenditures of the City not legally restricted as to use. This fund is used to offset the cost of the City's general operations. Examples of departments financed by the General Fund include the Police and Administrative Support Services Departments, such as the City Manager's Office.

GOVERNMENT ACCOUNTING STANDARDS BOARD (GASB) - A standard-setting body, associated with the Financial Accounting Foundation, which prescribes standard accounting practices for governmental units.

GRANT - Contributions, gifts of cash or other assets from another governmental entity to be used or expended for a specific purpose, activity or facility.

HOMEOWNER'S PROPERTY TAX RELIEF - Revenue from the state to offset city loss of property tax for state-imposed \$7,000 per dwelling homeowner exemption.

INFRASTRUCTURE - Facilities on which the continuance and growth of a community depend, such as streets and roads, sewers, public buildings, parks, etc.

INTRAFUND TRANSFERS - A transfer of moneys between departments in the same fund.

INVESTMENT EARNINGS - Revenue earned from the investment of idle public funds.

JOINING POWERS AUTHORITY - The Joint Exercise of Powers Act authorizes local public agencies to exercise common powers and to form joint powers authorities (JPAs) for the purpose of jointly receiving or providing specific services.

LEGAL LEVEL OF BUDGETARY CONTROL - The level at which spending in excess of budgeted amounts would be a violation of law.

LEVEL OF BUDGETARY CONTROL - One of the three possible levels of budgetary control and authority to which organizations, programs, activities and functions may be subject. These

levels of budgetary control are: (a) appropriated budget, (b) legally authorized non-appropriated budget review and approval process, which is outside the appropriated budget process or (c) non-budgeted financial activities, which are not subject to the appropriated budget and the appropriation process or to any legally authorized non-appropriated budget review and approval process, but still are relevant for sound financial management and oversight.

LEVY - (Verb) to impose taxes, special assessments or service charges for the support of governmental activities; (noun) the total amounts of taxes, and/or special assessments and/or service charges imposed by a governmental agency.

LICENSES AND PERMITS - Charge designed to reimburse City for costs of regulating activities being licensed, such as licensing of animals and bicycles, etc.

LIEN - A claim on assets, especially property, for the payment of taxes or utility service charges.

LIQUIDITY - Refers to the ability to rapidly convert an investment into cash.

LOCAL AGENCY INVESTMENT FUND (LAIF) - Was established by the state to enable treasurers to place idle funds in a pool for investment. Each agency is currently limited to LAIF to an investment of \$20 million plus any bond proceeds.

MISSION STATEMENT- A succinct description of the scope and purpose of a City department.

MEASURE C PARCEL TAX – A measure pass by the voters on the November 2006 ballot that calls for a 10 year special tax on all City parcels. Revenue generated from such tax will be used for public safety and crime prevention programs.

MOTOR VEHICLE IN-LIEU FEES - State residents pay a fee to the State each year that is computed as a percent of the depreciated value of their motor vehicles. Each city and county in California receives a portion, based on population, of the total motor vehicle license fees collected by the State. In 2004, the State reduced local government allocation from 2.0% to 0.67%. The difference of 1.33% was a swap for local property tax, now known as Property Tax in Lieu of VLF.

OBJECTIVES - The expected results or achievements of a budget activity which can be measured and achieved within a given time frame. Achievement of the objective advances the organization towards a corresponding goal.

OPERATING BUDGET - Annual appropriation of funds for on-going program costs, including salaries and benefits, services and supplies, debt service and capital outlay.

ORDINANCE - A formal legislative enactment by the City Council. It has the full force and effect of law within City boundaries unless preempted by a higher form of law. An ordinance has a higher legal

OTHER EXPENDITURES- This category reflects transfer outs of the General Fund and excise tax settlement payments. Transfers are used to move funds to other operating funds in order to finance the operations of another fund or to reimburse the other fund for certain services provided to the General Fund.

OTHER FINANCING SOURCES - Governmental fund general long-term debt proceeds, amounts equal to the present value of minimum lease payments arising from capital leases, proceeds from the sale of general fixed assets, and operating transfers in.

OTHER FINANCING USES - Governmental fund operating transfers out and the amount of refunding bond proceeds deposited with the escrow agent. Such amounts are classified separately from expenditures on the governmental operating statement.

OTHER REVENUES - This category includes reimbursements from other government agencies, interest earned on investments and contributions. This category also includes some loan repayments made to the General Fund, i.e., from the Redevelopment Agency for budget purposes only.

OVERHEAD ALLOCATION - A methodology for identifying and allocating overhead, (indirect) costs incurred by central services departments to the direct cost programs.

OVERSIGHT BOARD – this board provides some oversight to the Successor Agency (see definition) and has the fiduciary responsibility to

holders of enforceable obligations and the taxing entities that benefit from the distribution of the revenues, especially property tax revenue.

PERFORMANCE MEASURE- An annual indicator of achievement or measures of prediction for a program of work unit as defined in the organization of the budget. Measures may be expressed as a number count, fraction, or a percent of achievement related to the size of the problem or service being provided.

PERMITS, FEES AND CHARGES FOR SERVICES- This category includes the City's charges and fees for licenses and permits issued by the City; as well as, the community development services of staff, provided to customers. The license and permit revenues are designed to reimburse the City for costs of regulating the activities being licensed. Fees and charges for services are imposed to support services provided to individuals and businesses.

PERS - Public Employees' Retirement System.

P.O.S.T - Peace Officer Standards and Training - a State reimbursement program for Police Officer Training.

PROPERTY TAX - Homes, businesses, and other taxable real and personal property are subject to a property tax rate of 1% of assessed value. Since Proposition 13 was enacted in 1978, the assessed valuation of real property in the "base year" of 1975-1976 may increase each year by the change in the Consumer Price Index (CPI), not to exceed 2% as long as it is held by the same owner. When there is a transfer of property ownership, or when property is newly constructed, it is reappraised at its current full market value. The property tax is imposed on real property (land and permanently attached improvements such as buildings) and tangible personal property (movable property) located within the state. By definition, this ad valorem tax is based on the property value, as defined in law, rather than on a fixed amount or benefit.

ADOPTED BUDGET - The financial and operating document submitted by the City Manager to the City Council for consideration.

PROPOSITION 13 - Article XIII A of the California Constitution, commonly known as Proposition 13, which limits the maximum annual increase of any ad valorem tax on real property to 1% of the full cash value of such property.

PURCHASED SERVICES - This category covers a wide-range of services such as consulting services, outside professional, legal, and auditing services, county services, i.e., supplemental police patrol, and animal control services; City facilities maintenance services, etc.

RDA - Redevelopment Agency.

RECEIVABLES-REDEVELOPMENT

AGENCY- This receivable sets out amounts due the City from the Redevelopment Agency making those funds unavailable for appropriations until received.

REGULAR POSITION - Any permanent position in the classified service that is required to be filled through certification, or by provisional appointment.

REIMBURSEMENT FOR STATE MANDATED COSTS - Article XIII B, Section 6 of the California Constitution which requires the State to reimburse local agencies for the cost of state-imposed programs. Process is commonly called "SB 90" after its original 1972 legislation.

RESERVE - An account used to record a portion of the fund balance as legally segregated for a specific use, usually at a future time.

RESOLUTION - A special order of the City Council which has a lower legal standing than an ordinance.

REVENUES - Monies received or anticipated by a local government from both tax and non-tax sources during the fiscal year.

SALARIES AND BENEFITS - This major category accounts for full-time and part-time employees, overtime expenses and all employee benefits, such as medical, dental, retirement, life insurance, long term disability, and workers compensation. Where applicable, uniform allowance is also included in this category.

SALES TAX - This tax is levied on goods and services at the point-of-sale. Sales tax in San Mateo County is 8.25% of which approximately 1% is returned to East Palo Alto for those sales which take place in East Palo Alto.

SB 90 - Reimbursement process for state mandated costs, named after its original 1972 legislation.

SERVICE CHARGES - Charges imposed to support services to individuals or to cover the cost of providing such services. The fees charged are limited to the cost of providing the service or regulation required (plus overhead).

SERVICES - Expenditures/expenses for services.

SINGLE AUDIT - An audit performed in accordance with the Single Audit Act of 1984 and the Office of Management & Budget (OMB) Circular A-128, Audits of State and Local Governments. The Single Audit Act allows or requires governments (depending on the amount of federal assistance received) to have one audit performed to meet the needs of the federal agencies.

SPECIAL REVENUE FUND - A fund used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditure for specific purposes. GAAP only require the use of special revenue funds when legally mandated.

SUCCESSOR AGENCY – designated as the entity to the former redevelopment agency. The agency is given the authority, rights, powers, duties, and obligations previously provided to the former redevelopment agency under the Community Redevelopment Law, except for those that were repealed, restricted or amended in Assembly Bill 1X26. The purpose of the agency are 1)make payments on the redevelopment agency's enforceable obligations; and 2)wind down the activities of the redevelopment agency.

SUPPLEMENTAL PROPERTY TAX - In the event a property changes ownership, the county collects a supplemental property tax assessment in the current tax year by determining a supplemental value. In future tax periods, the property carries the full cash value.

SUPPLIES AND MATERIALS - This category of expenses relates to supplies needed and required to operate as a cost of doing business. Some of the major supplies consist of general office supplies, safety supplies, utilities and fuel for City vehicles, etc.

TAX - Compulsory charge levied by a government for the purpose of financing services performed for the common benefit.

TAX ALLOCATED BONDS - Bonds issued by redevelopment agencies to revitalize blighted and economically depressed areas of the community and to promote economic growth.

TAX BASE - The objects or transactions to which a tax is applied (e.g., parcels of property, retail sales, etc.). State law or local ordinances define the tax base and the objects or transactions exempted from taxation.

TAX INCREMENT FINANCING - A tax incentive designed to attract business investment by dedicating to the project area the new property tax revenues generate by redevelopment. The increase in revenues (increment) is used to finance development-related costs in that district.

TAX RATE - The amount of tax applied to the tax base. The rate may be flat, incremental or a percentage of the tax base, or any other reasonable method.

TEMPORARY POSITION - A non-regular, temporary position created to meet a peak workload or other unusual work situation; can include seasonal or recurrent intermittent employment.

TRANSIENT OCCUPANCY TAX (TOT) - This is a general tax imposed on occupants for the privilege of occupying rooms in hotels, motels, inns, or other lodging facilities for 30 days or less. The current tax rate in East Palo Alto is 12%. Of the total tax anticipated to be received by the City, there is a 10% set-aside for children, youth, senior

and families services and another 10% for housing services for the residents of East Palo Alto.

TRUST FUNDS - Funds used to account for assets held by a government in a trustee capacity for individuals, private organizations, other governments and/or other funds.

UNDESIGNATED FUND BALANCE - The City will maintain an Undesignated General Fund Balance to help mitigate the effects of such unanticipated situations as the following:

- a) Economic downturns
- b) Loss of revenues to or imposition of additional costs by other governmental agencies
- c) Errors in financial forecasting
- d) Natural disasters

UNRESERVED FUND BALANCE - That portion of a fund balance available for spending or appropriation in the future.

UTILITY USER'S TAX - This tax is imposed on the consumer (residential or commercial) of utilities – electric, gas, cable television, and telephone services. The current tax rate is 5%. The tax is collected by the companies providing the service as part of their billing process and is issued to the City.

VLF - See Motor Vehicle In-Lieu Fee.

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