

CITY OF SANTA ROSA
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL
FROM: DEBORAH LAUCHNER, CHIEF FINANCIAL OFFICER,
FINANCE DEPARTMENT
SUBJECT: AMENDMENT TO THE MEASURE O IMPLEMENTATION PLAN
FOR ALL PROGRAMS AND FISCAL YEAR 2017-18 BUDGET
AMENDMENT

AGENDA ACTION: RESOLUTION

RECOMMENDATION

It is recommended by the Finance, Police, Fire, Recreation and Parks Departments, the City Manager's Office, the Office of Community Engagement and the Measure O Citizens' Oversight Committee that the Council, by resolution,

- (1) amend the Transaction and Use Tax Implementation Plan
 - a. to adjust for Fiscal Year (FY) 2017-18 budget and forecasted budget amounts for all Measure O programs, and
 - b. to make a specific Implementation Plan change to the Gang Prevention/Intervention Services (Violence Prevention Partnership) program; and
 - (2) amend the Fiscal Year (FY) 2017-18 adopted budget within Measure O Funds to match the amended Implementation Plan.
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EXECUTIVE SUMMARY

City staff is proposing changes to the Measure O Transaction and Use Tax Implementation Plan (Implementation Plan). Staff proposes to adjust the budget and forecasted budget for all Measure O programs to align with the FY 2017-18 budget and budget assumptions. In addition, staff proposes to make a change to the Implementation Plan specific to the Violence Prevention program. The change was reviewed and approved by the Measure O Citizen Oversight Committee at their April 27, 2017 meeting.

BACKGROUND

Ordinance 3680 added Chapter 3-26 to the Santa Rosa City Code establishing a special transactions and use tax. The special tax measure, known as Measure O, increased sales tax by a quarter percent to fund specific Police, Fire, and Gang Prevention/Intervention programs, as set forth in the Ordinance.

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An Implementation Plan was created on September 21, 2004, by Resolution No. 26069, which outlines the uses and purposes for which the special tax revenues may be used over time. The Implementation Plan has been revised several times since the original plan was adopted in 2004. In order to amend the Implementation Plan, the Ordinance requires six affirmative votes of the Council.

On November 10, 2015, the City Council approved a new format for the Implementation Plan, consisting of current and forecasted budget amounts for all Measure O programs. This new Implementation Plan forecasts Measure O program budgets through FY 2024-25.

PRIOR CITY COUNCIL REVIEW

The Council has amended the Implementation Plan multiple times since the initial plan was adopted in 2004. The Council considered the current proposed Implementation Plan amendment on June 13, 2017. A motion to approve the amendment was made and seconded, but failed to receive the requisite six affirmative votes.

ANALYSIS

The Implementation Plan outlines Measure O program expenditures, including salaries, benefits, operational costs, and specific program line items. These costs are reflective of the FY 2017-18 budget, and are forecasted through FY 2024-25. Because the program costs are tied to the budget, the forecast amounts are fluid depending on the changes in actual costs and assumptions from year to year, the Implementation Plan as a whole will need to be adjusted annually to reflect new budget and forecast amounts. While these changes are routine, they still represent a change to the Implementation Plan, and as such will need to be approved with six affirmative votes of the City Council.

In addition, staff from the Recreation and Parks Department and the Office of Community Engagement have assessed the operational needs of the Violence Prevention Partnership along with the Implementation Plan and are recommending changes specific to the Violence Prevention program. The proposed change is as follows:

Funding of Salary and Benefits for a Limited Term Community Outreach Specialist for six months (January 2018 through June 2018) for \$39,972. The Community Outreach Specialist is funded by the Board of State and Community Correction's (BSCC) California Gang Reduction, Intervention, and Prevention (CalGRIP) grant program for the first six months of the fiscal year (July 2017 through December 2017). Funding for the position ends December 31, 2017 upon conclusion of the CalGRIP grant program. CalGRIP funding is proposed to be eliminated in Governor Brown's budget. Approval of this one-time funding request will allow staff additional time to 1) create a final CalGRIP report for BSCC, 2) actively seek other sources of funding to sustain the position, and 3) identify a plan to sustain or modify the program based on existing or potential new funding.

Finance staff have reviewed proposed changes for the Violence Prevention program and

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determined there is sufficient funding available in the Gang Prevention/Intervention program funds. The use of Measure O reserves for the Limited Term Community Outreach Specialist is one-time in nature, and not intended as an ongoing budget expenditure.

On April 27, 2017, staff presented these changes to the Implementation Plan to the Measure O Citizen Oversight Committee. The Committee has reviewed and approved the proposed changes to the Implementation Plan for all programs and recommended the amended Implementation Plan be forwarded to the City Council for approval with a vote of 7-0. In accordance with the Ordinance 3860, six affirmative votes of the City Council are necessary to approve an amendment to the Implementation Plan.

FISCAL IMPACT

These amendments have no fiscal impact to the General Fund. Adjustments required to reflect FY 2017-18 budget have not been included in the adopted FY 2017-18 Operations and Maintenance Budget and require an amendment to incorporate the Implementation Plan changes. Future year forecasts are for informational purposes. The changes to the Violence Prevention program portion of the Implementation Plan can be absorbed within their current fund balance and any adjustments to the other programs are minor in nature and can be absorbed within the resources available in each Measure O Fund.

ENVIRONMENTAL IMPACT

This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guideline section 15378.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

The proposed changes to the Implementation Plan were reviewed by the Measure O Citizen Oversight Committee on April 27, 2017. The Measure O Citizen Oversight Committee recommends the Council by resolution amend the Implementation Plan.

NOTIFICATION

Not applicable

ATTACHMENTS

- Attachment 1 – Proposed Amended Implementation Plan
- Resolution/Exhibit A

CONTACT

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