



City of Long Beach
Working Together to Serve

Memorandum

Date: August 21, 2018

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

From: John Gross, Director of Financial Management *J.G.*

For: Mayor and Members of the City Council

Subject: **Mayor's FY 19 Budget Recommendation and the FY 19 Proposed Budget**

Attached for your information is additional information about the Mayor's budget recommendations - how they are incorporated into the FY 19 Proposed Budget, and what would need to be added to the Proposed Budget to fund the recommendations.

Many of the items recommended by the Mayor are already in the Proposed Budget. For those that are not, the Mayor has proposed using \$630,000 in newly-identified healthcare cost savings and \$150,000 in Special Advertising and Promotion (SAP) funds available. Only \$50,000 of the three-year funding for Partners of Parks is not incorporated in this solution but could be funded from the FY 21 Budget.

Some of the funding the Mayor described for homelessness programs is new funding and is not yet incorporated into the FY 19 budget.

The Mayor has requested that the City Manager work to strengthen the Proactive Rental Housing Inspection Program (PRHIP).

The Mayor has requested that the City Manager identify new revenue to fund the restoration, sometime in FY 19, of Engine 17 and the 6 sworn positions associated with the bike patrol. As requested, the City Manager expects to return to the City Council with proposals during FY 19.

Please do not hesitate to contact me at (562) 570-6427 or Interim Budget Bureau Manager Grace Yoon at (562) 570-6408, should you have any questions.

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ATTACHMENT

CC: TOM MODICA, ASSISTANT CITY MANAGER
KEVIN J. JACKSON, DEPUTY CITY MANAGER
CHARLES PARKIN, CITY ATTORNEY
LAURA L. DOUD, CITY AUDITOR
REBECCA G. GARNER, ASSISTANT TO THE CITY MANAGER
DEPARTMENT HEADS

SUMMARY OF MAYOR'S RECOMMENDATIONS AND INTEGRATION WITH THE FY 19 PROPOSED BUDGET

RECOMMENDED BY MAYOR AND NOT IN PROPOSED FY 19 BUDGET

ONE-TIMES	Mayor's Total Recommended Amount	Currently from FY 18 or in Proposed FY 19 Budget	Potential New Funding		Notes
			General Fund	Other Funds	
Justice Fund	250,000	100,000	150,000		\$100,000 potentially set aside in FY 18
Expungement Fund (marijuana misdemeanors)	200,000		200,000		
Training and Education re LGBTQ and Bullying	100,000		100,000		
Partners of Parks Management Support	150,000		100,000		\$50,000 additional proposed from FY 21 budget
Additional support for Language Access Plan	160,000	80,000	80,000		\$80,000 already in proposed FY19 budget
MOLAA's facilities master-plan efforts	150,000			150,000	
Healthcare cost savings			(630,000)		Uses newly estimated health care savings
Special Advertising and Promotions Fund Funds available				(150,000)	From SAP funds available
	1,010,000		-	-	

STRUCTURAL	Notes
<p>Combat Poor Living Conditions - The City Manager should work with our property owners and community and strengthen our Proactive Rental Housing Inspection Program, preventing properties from falling into disrepair and fixing slum properties.</p> <p>Restore Engine 17 and Bike Team - The City Manager to identify new revenue sources to restore Engine 17 and to restore a Community Rapid Response Bike Team of six new police officer positions this year.</p>	<p>Potential approach to be brought to Council by Staff in August</p> <p>Restoration approaches will be brought to City Council sometime in FY 19. About \$4 m annually</p>

MENTIONED BY MAYOR AND IN PROPOSED FY 19 BUDGET

ONE-TIMES	Notes
<p>New Youth Fund through Participatory Budgeting</p> <p>City Prosecutor funding for code enforcement efforts</p> <p>Animal Coordinator</p> <p>Arts Council</p>	<p>\$200,000 in General Fund one-times</p> <p>\$150,000 in General Fund one-times</p> <p>\$120,000 in General Fund one-times. Mayor's message says \$100,000</p> <p>\$50,000 in Special Advertising and Promotions Fund one-times</p>

STRUCTURAL	Notes
<p>Four new Quality of Life Police Officers</p> <p>Two Firefighters for a Heart Team</p> <p>7-day access to Libraries</p> <p>1 Percent for Arts Program</p> <p>Long Beach Museum of Art</p> <p>Arts Council</p>	<p>2 funded by Measure A, 2 funded by METRO</p> <p>Funded by Measure A</p> <p>Operations/Hours adjusted at no net new cost</p> <p>Continues the current program</p> <p>Adds \$50,000 in ongoing City support</p> <p>Adds \$25,000 in ongoing City support</p>

MENTIONED BY MAYOR AND ALREADY A PART OF THE MEASURE A PLAN IN THE PROPOSED FY 19 BUDGET

The following items are recommended uses of unallocated Measure A funds anticipated to be received FY 18 through FY 23

<p>\$41 million in funding to rebuild the Police and Fire academies, for body worn cameras, and for public safety communication technologies</p> <p><i>items below are mentioned in Mayor's slides</i></p> <p>\$13.4 million in additional street, sidewalk, park,</p> <p>\$21.5 million to rebuild Police and Fire Academies</p> <p>\$15.5 million to upgrade communication technologies for Fire and Police Departments</p> <p>Funding for additional academies</p>	<p>\$41.8 m planned for PD/FD through FY 23. \$1.7 m of this is programmed in FY 19.</p> <p>\$300,000 of this is programmed in FY 19</p> <p>Majority of funds available in FY 22</p> <p>Majority of funds available in FY 22</p> <p>\$400,000 of the unallocated funds included in FY 19 for PD (adds to \$1.7 m previously planned for academies in FY 19 for a total of \$2.1 m); \$900,000 of unallocated included in FY 19 for FD.</p>
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MENTIONED BY MAYOR FOR HOMELESSNESS RELATED SERVICES

MAYOR'S COMMENTS IN RECOMMENDATION LETTER	Notes
<p>\$12.3 million in one-time funds from the State</p> <p>\$3.4 m in capital funding for year-round home shelter</p> <p>\$2.6 m annually from LA county measure H</p> <p>Above funding intended by Mayor for support and implementations of recommendations from the Everyone Home Long Beach taskforce. New programs will include Everyone Home Innovation Grants, a new fund for community organizations and neighborhood groups to assist in the goal of reducing street homelessness, and funding a new Clean Team, that will employ people experiencing homelessness to clean our communities. It will also create new efforts to engage the public in preventing homelessness through parking meter donations and related efforts."</p>	<p>New funding from the State, not in budget</p> <p>Expected from County for tenant improvements, not in budget</p> <p>Annual funding to benefit City from 0.5 cent sales tax, included in the budget</p>