

**BERKELEY CITY COUNCIL BUDGET & FINANCE COMMITTEE
REGULAR MEETING MINUTES**

**Thursday, April 27, 2023
10:00 AM**

2180 Milvia Street, 6th Floor - Redwood Room

Committee Members:

Mayor Jesse Arreguin, Councilmembers Rashi Kesarwani and Kate Harrison
Alternate: Councilmember Sophie Hahn

This meeting will be conducted in a hybrid model with both in-person attendance and virtual participation. For in-person attendees, face coverings or masks that cover both the nose and the mouth are encouraged. If you are feeling sick, please do not attend the meeting in person.

Remote participation by the public is available through Zoom. To access the meeting remotely using the internet: Join from a PC, Mac, iPad, iPhone, or Android device: Use URL - <https://cityofberkeley-info.zoomgov.com/j/1613406627>. If you do not wish for your name to appear on the screen, then use the drop down menu and click on "rename" to rename yourself to be anonymous. To request to speak, use the "raise hand" icon on the screen. To join by phone: Dial **1-669-254-5252** or **1-833-568-8864 (Toll Free)** and Enter Meeting ID: **161 340 6627**. If you wish to comment during the public comment portion of the agenda, press *9 and wait to be recognized by the Chair.

To submit a written communication for the Committee's consideration and inclusion in the public record, email policycommittee@cityofberkeley.info.

Written communications submitted by mail or e-mail to the Budget & Finance Committee by 5:00 p.m. the Friday before the Committee meeting will be distributed to the members of the Committee in advance of the meeting and retained as part of the official record.

MINUTES

Roll Call: 10:04 a.m.

Present: Kesarwani, Harrison, Arreguín

Public Comment on Non-Agenda Matters: 4 speakers

Committee Action Items

The public may comment on each item listed on the agenda for action as the item is taken up. The Chair will determine the number of persons interested in speaking on each item. Up to ten (10) speakers may speak for two minutes. If there are more than ten persons interested in speaking, the Chair may limit the public comment for all speakers to one minute per speaker.

Following review and discussion of the items listed below, the Committee may continue an item to a future committee meeting, or refer the item to the City Council.

- 1. Fire Department Vacancy and Overtime**
From: City Manager
Recommendation: Receive a presentation on Fire Department vacancy and overtime and provide direction.
Financial Implications: See report
Contact: David Sprague, Fire, (510) 981-3473
Action: 2 speakers. Presentation made and discussion held.
- 2. Health, Housing, and Community Services (HHCS) Staffing Proposal**
From: City Manager
Recommendation: Receive a presentation on a proposed HHSC staffing reorganization and provide direction.
Financial Implications: See report
Contact: Lisa Warhuus, Health, Housing, and Community Services, (510) 981-5400
Action: 3 speakers. Presentation made and discussion held. M/S/C (Arreguín/Harrison) Supporting the allocation of \$463,242 in the General Fund to implement Phases 1 and 2 of the HHCS/HCS staffing study recommendations and looking at Measure U1 as one of the revenue sources.
Vote: All Ayes.
- 3. Measure P FY 24 Mid-Biennial Update**
From: City Manager
Recommendation: Receive a presentation on recommended changes to the Measure P program budget for FY 2024 and provide direction.
Financial Implications: See report
Contact: Peter Radu, City Manager's Office, (510) 981-7000
Action: Item continued to a special meeting on May 4.

Committee Action Items

4. FY 2024 Mid-Biennial Budget Update

From: City Manager

Recommendation: Receive a presentation on the FY 2024 Mid-Biennial Budget Update and provide direction.

Financial Implications: See report

Contact: Sharon Friedrichsen, Budget Manager, (510) 981-7000

Action: Item continued to a special meeting on May 4.

5. Accept the Risk Analysis for Long-Term Debt (Bonding Capacity) Report provided by Government Finance Officers Association

From: City Manager

Referred: April 26, 2022

Due: May 31, 2023

Recommendation: Accept the report titled 'Risk-Based Analysis and Stress Test of Long-Term Debt Affordability' as provided by the Government Finance Officers Association (GFOA). This report is based on their research and development of a risk-modeling tool to address issuing long-term debt related to City of Berkeley Vision 2050.

On April 26, 2022, the City Council referred this item to the City Manager and Budget & Finance Committee to return to Council with recommendations or analysis on as many of the following items as possible by October 2022, if feasible. 1)

Consideration of reserves policies for operational funds other than the General Fund; 2) Potential reduction of the maximum indebtedness rate from 15% of assessed property value down to 4-8% range; 3) A new policy to not incur indebtedness when interest rates go above 5% or a different specific threshold; 4) Tools for increased transparency for taxpayers; 5) Updated report and discussion of pension and healthcare costs; 6) Refer the full Report to the Budget & Finance Committee for consideration.

Financial Implications: None

Contact: Henry Oyekanmi, Finance, (510) 981-7300

Action: Item continued to a future meeting.

Unscheduled Items

These items are not scheduled for discussion or action at this meeting. The Committee may schedule these items to the Action Calendar of a future Committee meeting.

**6. Additional Allocation of Measure P Funding to “Step Up Housing” Project
From: Councilmember Bartlett (Author), Councilmember Wengraf (Co-Sponsor), Councilmember Kesarwani (Co-Sponsor)**

Referred: August 3, 2022

Due: May 31, 2023

Recommendation: Adopt a resolution allocating an additional \$114,660 per year for 10 years, from Measure P transfer tax receipts to support the increased costs for the lease and operation of a new permanent supportive housing project for the unhoused at the Step-Up Housing Project at 1367 University Avenue. In addition, refer to the next meeting of the Budget and Finance Policy Committee to confirm the availability of requested funding.

On August 3, 2022, the City Council adopted Resolution No. 70,491-N.S. as amended and referred to the Budget & Finance Committee to consider future General Fund needs for this project and confirm availability of funds for the operating budget.

Financial Implications: See report

Contact: Ben Bartlett, Councilmember, District 3, (510) 981-7130

**7a. Recommendation for RV Lot and Waste Management on Streets for RVs
From: Homeless Services Panel of Experts**

Referred: April 11, 2023

Due: September 26, 2023

Recommendation: The Homeless Services Panel of Experts recommends to Council that they refer to staff to expedite all efforts to identify a location for another RV lot(s) to take the place of the now closed SPARK lot at 742 Grayson and that the new lot identified require mandatory safety inspections and fire extinguishers to be provided. The Homeless Services Panel of Experts further recommends that Council refer to staff to develop a waste management plan to be implemented for RVs currently on the streets.

Financial Implications: See report

Contact: Josh Jacobs, Commission Secretary, (510) 981-5400

Unscheduled Items

- 7b. Companion Report to Recommendation for RV Lot and Waste Management on Streets for RVs**
From: City Manager
Referred: April 11, 2023
Due: September 26, 2023
Recommendation: Refer the Homeless Services Panel of Experts' recommendation to identify and expedite a new safe RV parking location/program and develop a waste management plan for RVs on the streets to the Budget and Finance Policy Committee for consideration alongside all other homeless services priorities in the budget process.
Financial Implications: See report
Contact: Peter Radu, City Manager's Office, (510) 981-7000
- 8a. Referral of two health educator positions to the COB FY 2024 budget process**
From: Peace and Justice Commission
Referred: April 11, 2023
Due: September 26, 2023
Recommendation: Refer to the budget process a request for estimated \$150,000 annually, beginning in FY 2024 or as early as the AAO #2 process in spring 2023, for staffing, materials, and supplies to be able to more broadly and flexibly conduct health education, prevention, and outreach to reduce health disparities, as proposed by the Peace and Justice Commission.
Financial Implications: See report
Contact: Okeya Vance-Dozier, Commission Secretary, (510) 981-7100
- 8b. Companion Report: Referral of two health educator positions to the COB FY 2024 budget process**
From: City Manager
Referred: April 11, 2023
Due: September 26, 2023
Recommendation: Refer to the Peace and Justice Commission's request for \$150,000 annually for staffing, materials, and supplies for health education and outreach to the Budget and Finance Policy Committee for further deliberation.
Financial Implications: None
Contact: Peter Radu, City Manager's Office, (510) 981-7000
- 9. Investment Report Update - Investment Policies of Other Jurisdictions**
From: City Manager
Contact: Henry Oyekanmi, Finance, (510) 981-7300

Unscheduled Items

10. **Measure T1 Phase 2 Projects** *(Item contains supplemental materials)*
From: City Manager
Recommendation: Receive a presentation on Measure T1 Phase 2 Project funding recommendations and update on the City's capital improvement projects, and provide direction to staff.
Financial Implications: See report
Contact: Scott Ferris, Parks, Recreation and Waterfront, (510) 981-6700
Sharon Friedrichsen, Budget Manager, (510) 981-7000

11. **Second Amendment to the FY 2023 Annual Appropriations Ordinance** *(Item contains supplemental materials)*
From: City Manager
Recommendation: Receive a report on the recommended amendments to the FY 2023 Annual Appropriations Ordinance and provide direction.
Financial Implications: See report
Contact: Sharon Friedrichsen, Budget Manager, (510) 981-7000

Items for Future Agendas

- None

Adjournment

Action: M/S/C (Arreguín/Kesarwani) to adjourn the meeting.

Vote: All Ayes.

Adjourned at 12:24 pm.

I hereby certify that the foregoing is a true and correct record of the Budget & Finance Committee meeting held on April 27, 2023.

Sarah K. Bunting, Assistant City Clerk