Proposed FY 2025-27 Biennial Budget

City Council Budget Workshop
May 5th, 2025

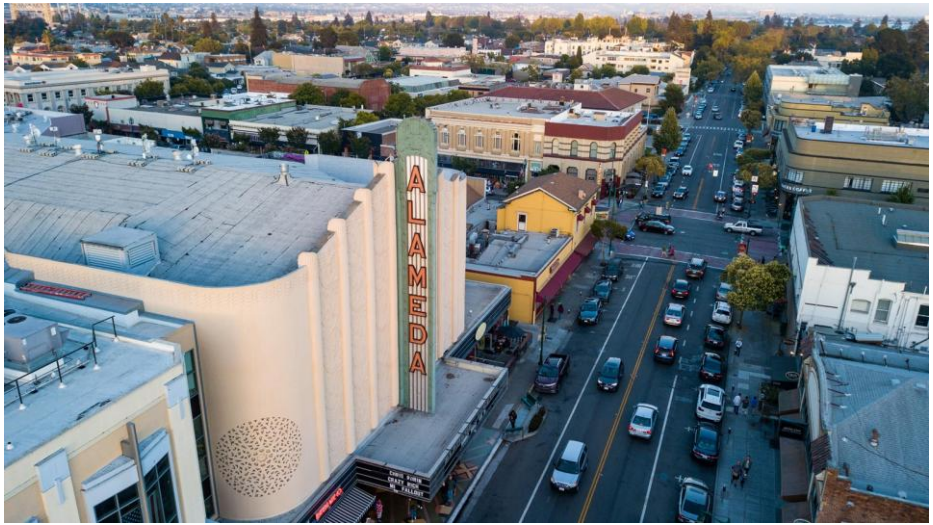
City Council Budget Agenda

- May 5, 2025 Budget Workshop
  - Budget Overview, Context, and Approach
    - Council Questions
  - Department Operating Budget Proposals
    - Council Questions, Discussion and Direction

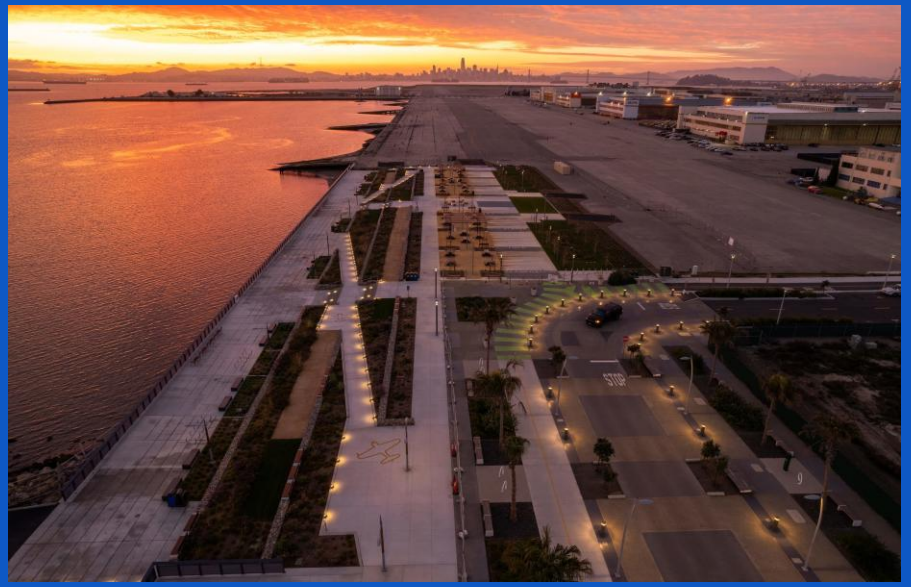
- May 13, 2025 Budget Workshop
  - Department Operating Budget Proposals *(Continued, if needed)*
  - Capital Budget
    - Council Questions, Discussion and Direction

City Council Strategic Priorities

1. Enhance Community Safety & Services
2. Build Resilience to Climate Change & Water Level Rise
3. House All Alamedans and End Homelessness
4. Invest in Transportation, Infrastructure, Economic Opportunities & Historic Resources
5. Practice Fiscally Responsible, Equitable & Inclusive Governance



Budget Overview



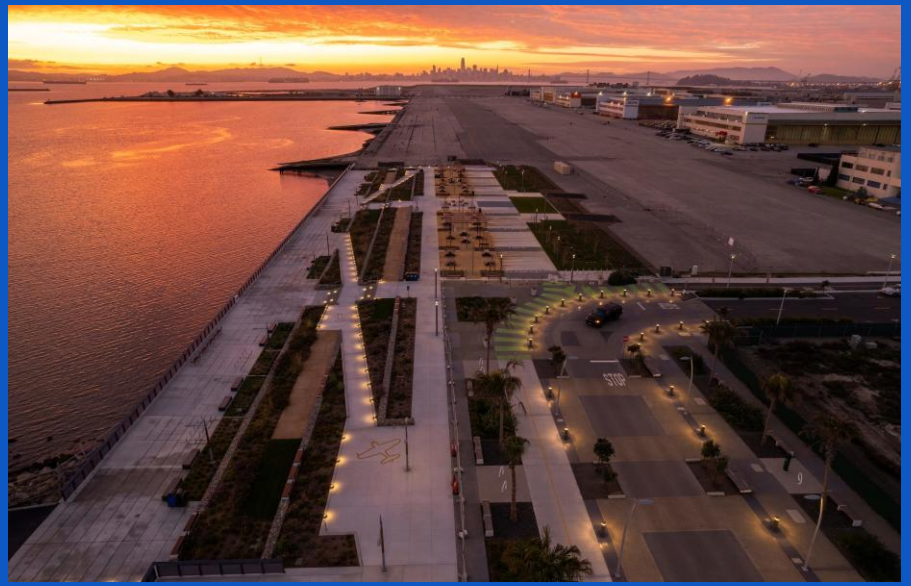
Budget Overview

- Overall, City remains in a **stable financial position** due to reliable property tax revenues, healthy reserves, and a modest residual fund balance
- Upcoming **two-year budget is "stretched"** due to lower revenue projections associated with loss of a major sales tax generator and unstable macro economic and development market conditions, as well as increased programmatic expenditures over the last five years
- Operating revenues cover roughly 97% of operating expenditures and **residual fund balance covers the gap to maintain existing services during uncertain period**
- **Maximizing use of unspent personnel budget** from this fiscal year (2024/25) to increase UAL contribution in FY25-27 Biennial and offset MOU negotiation costs
- Proposed budget **preserves $9.5 million of residual fund balance** for possible loss of federal grants and/or major economic downturn

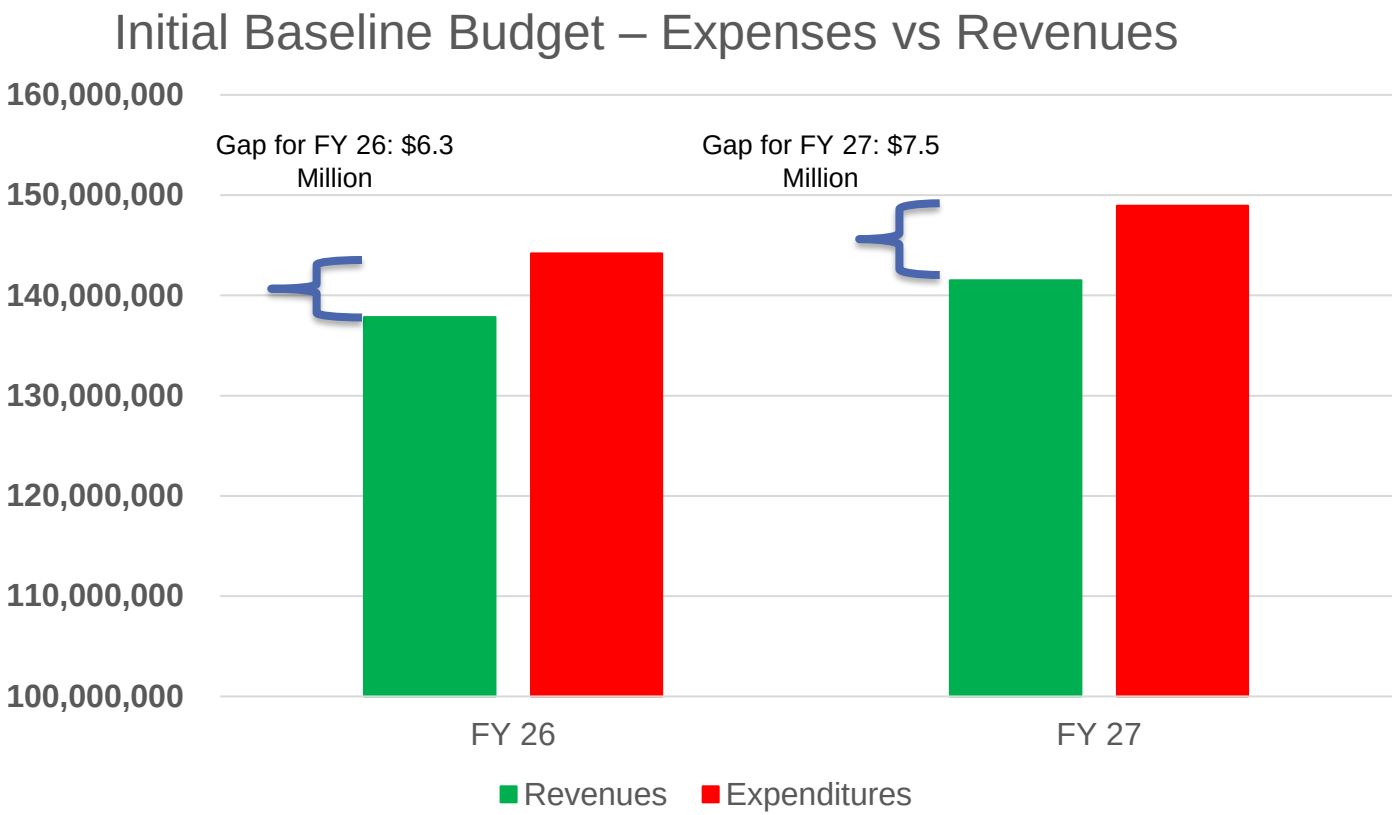
Budget Overview

- Proposed All Funds Budget at $335.1 million in FY 2025-26 and $337.3 million in FY 2026-27
- Proposed General Fund Expenditure Budget for ongoing expenses is at $144.4 million FY 2025-26 and $ 148.7 million in FY 2026-27
- The Proposed General Fund Budget recommends using Residual Fund Balance of $6.5 million in FY 2025-26, and $2.9 million in FY 2026-27, resulting in $9.5 million in remaining Residual Fund Balance
- The proposed Biennial Budget ***maintains*** 25% General Fund reserves ($37.5 million by end of budget period) in accordance with City Council Reserve Policy

Budget Context: Uncertain Fiscal Realities



Initial Baseline General Fund Shortfall: Due to Slowing Revenues and Increased Expenses



Financially More Stable than Other Jurisdictions

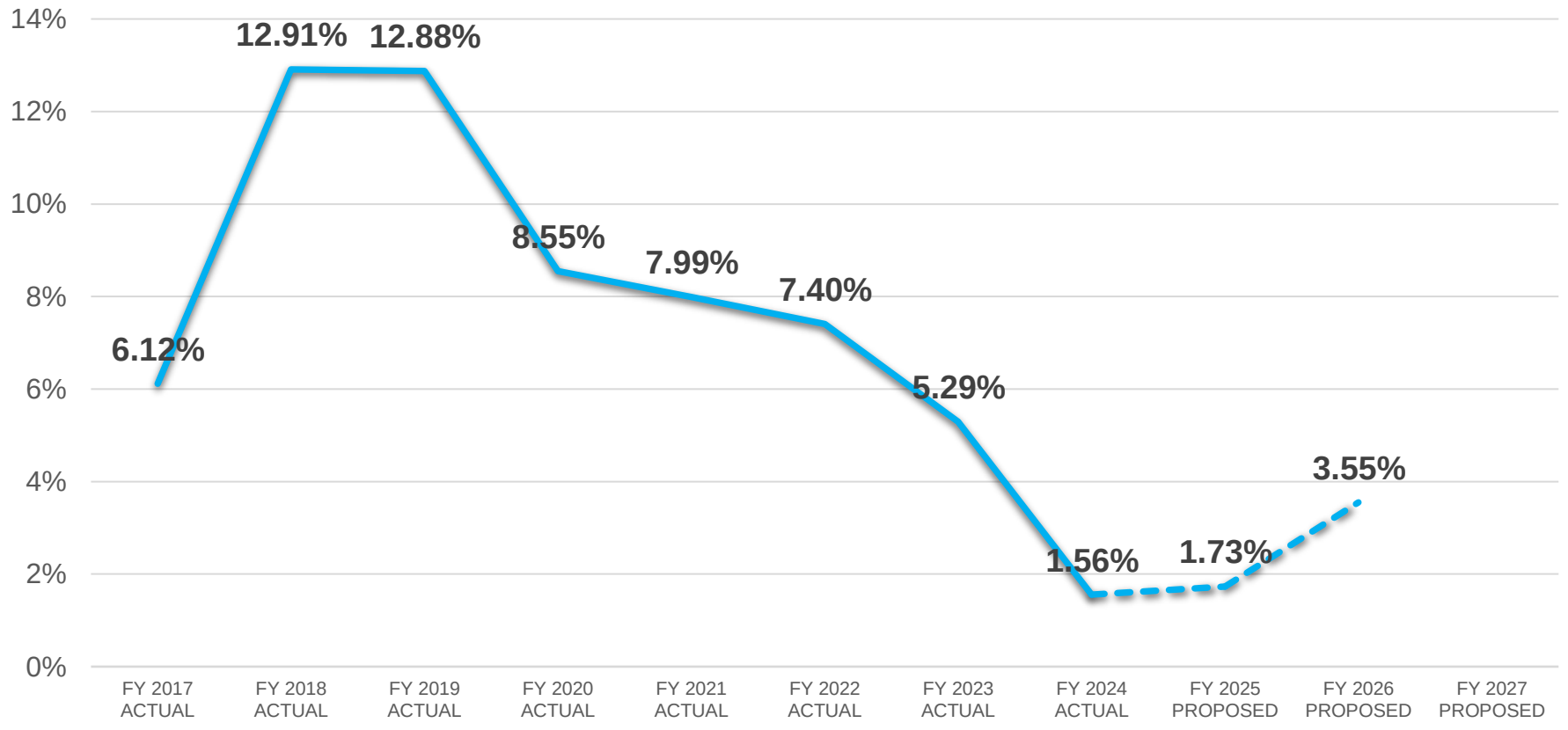
Other Jurisdictions:

- San Francisco faces $874 million deficit, Oakland faces a $280 million deficit, San Jose faces a $60 million deficit, Sacramento faces a $44 million deficit. Last year, Berkeley balanced its Biennial Budget using $11 million in fund balance to cover its deficit while Richmond fixed its anticipated $34 million deficit with a Chevron settlement; Pleasanton planning $12 million in cuts over next two years

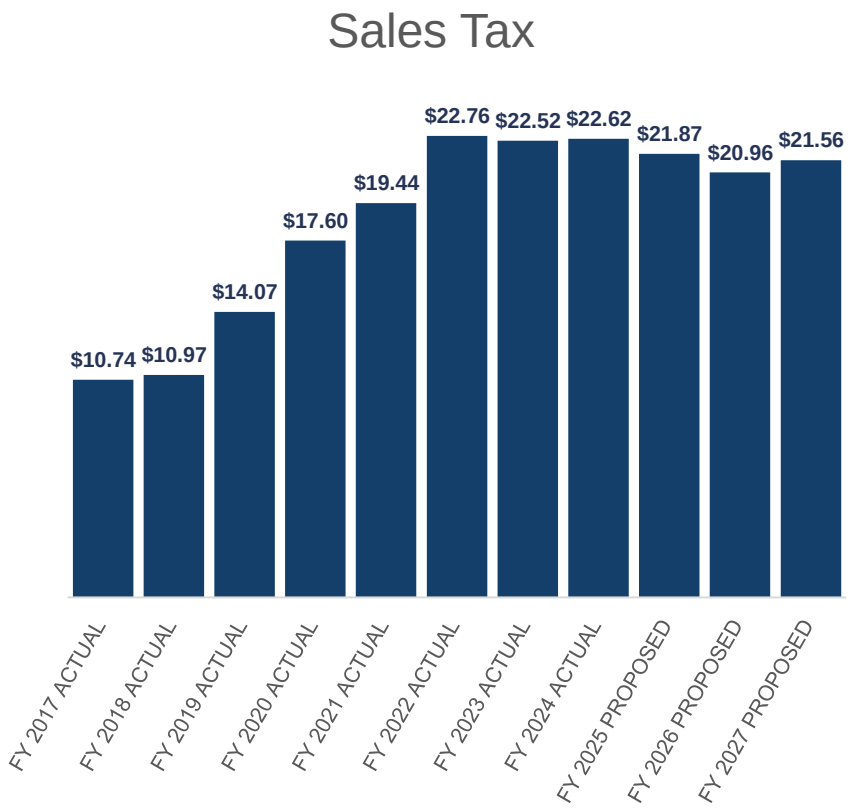
City of Alameda:

- Alameda's property taxes slowed, but typically do not decrease given high quality of life and stable property values
- New growth and major transactions over last 10 years generated significant property transfer tax, resulting in a substantial Residual Fund Balance

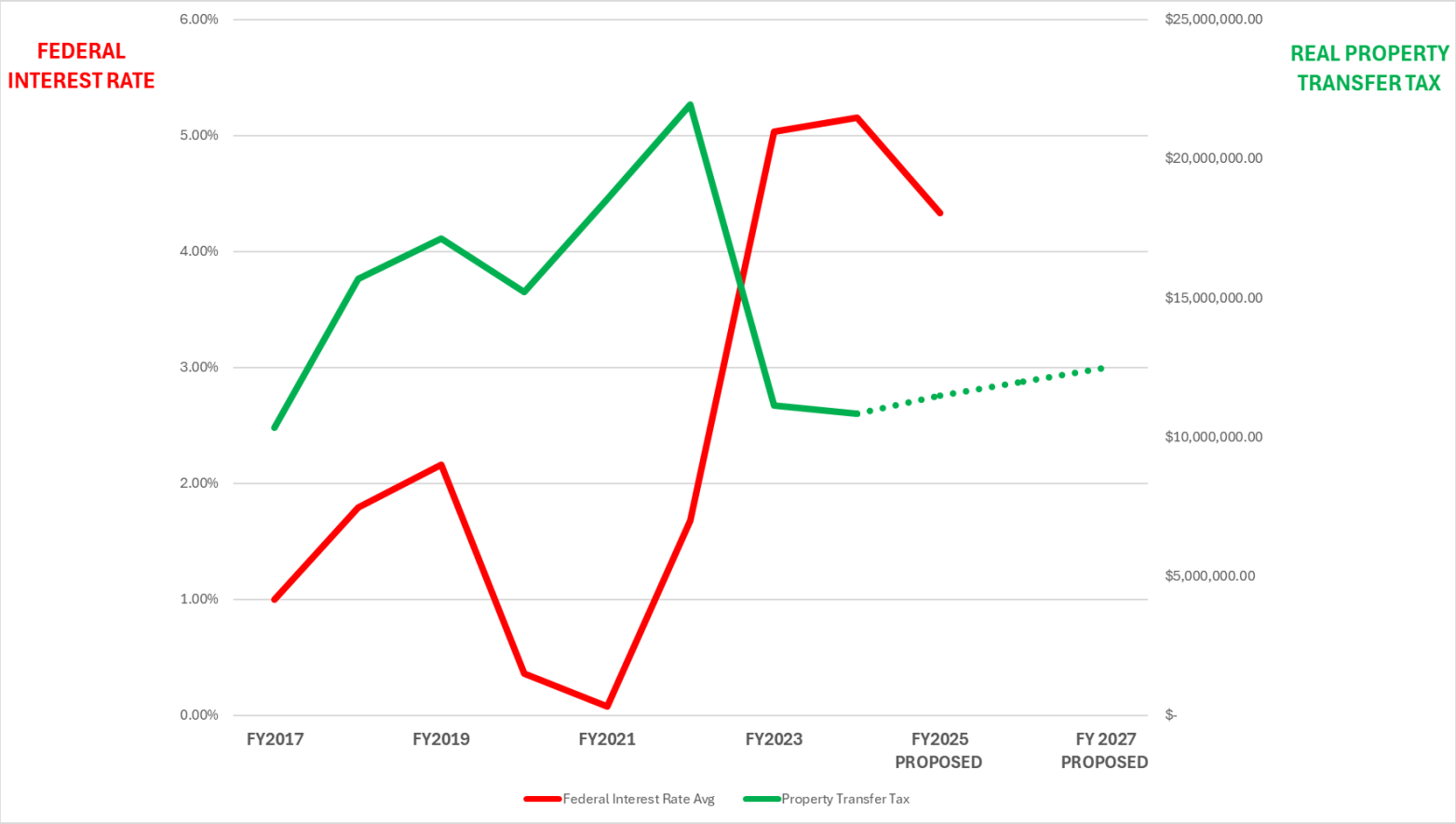
Aggregate Property & Sales Tax Growth Rate Has Slowed



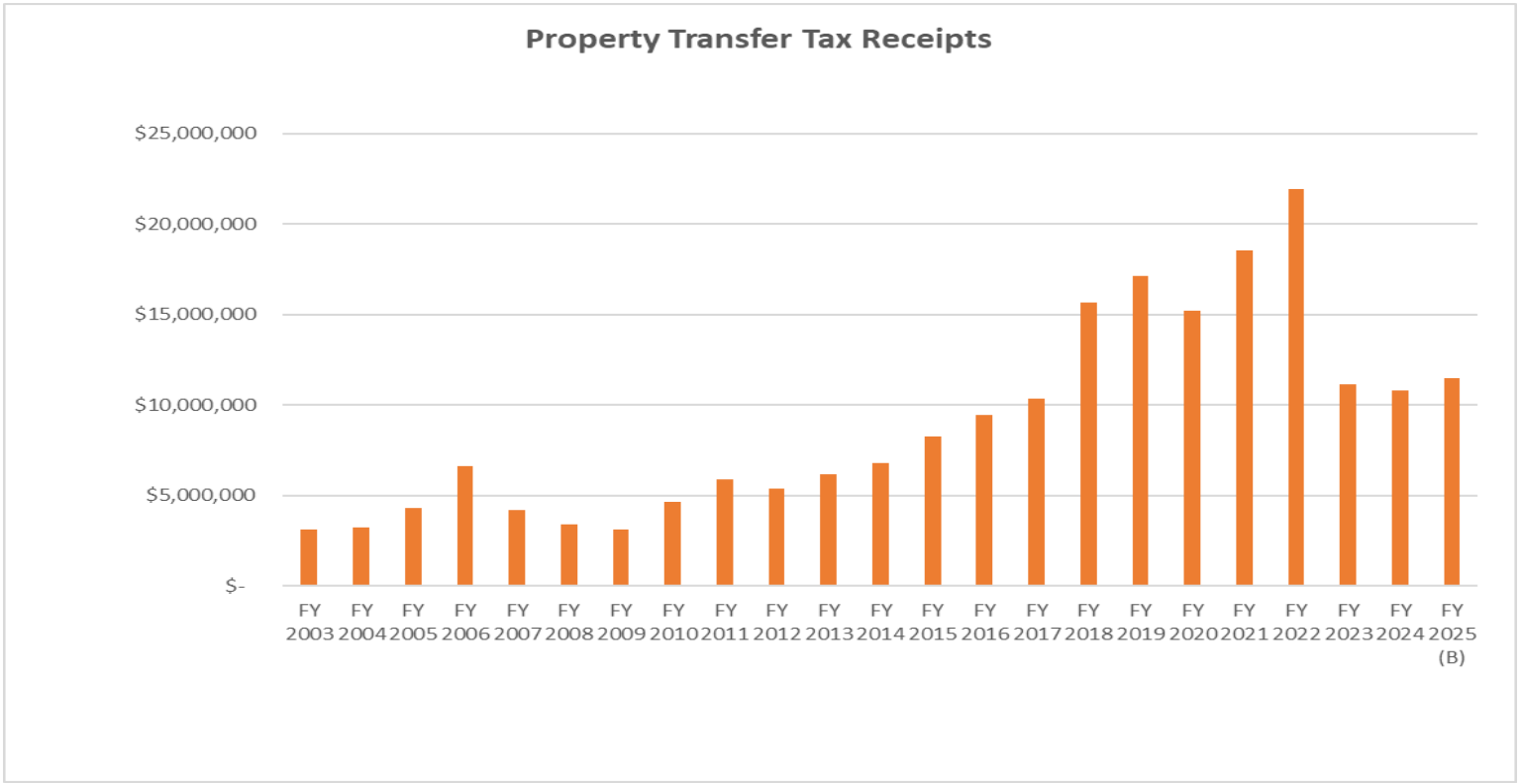
Property Tax Steadily Increases; Sales Tax Decreased



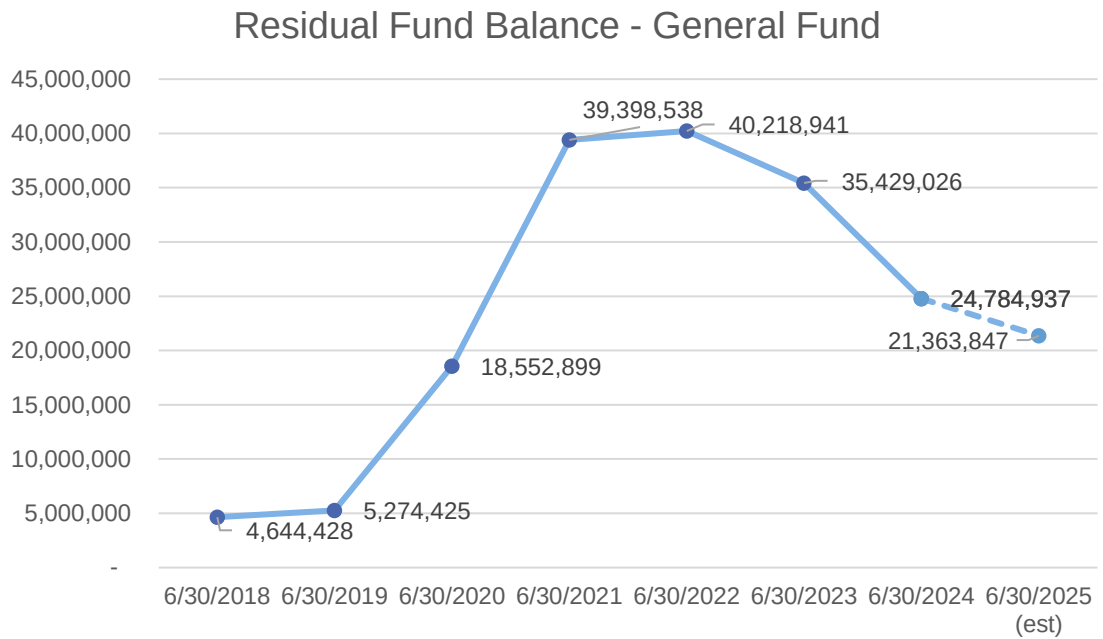
As Interest Rates Rise, Real Estate Transactions Have Slowed



Property Transfer Tax Is Highly Volatile and Decreased Over Last Several Years



General Fund Residual Fund Balance Provides Stability

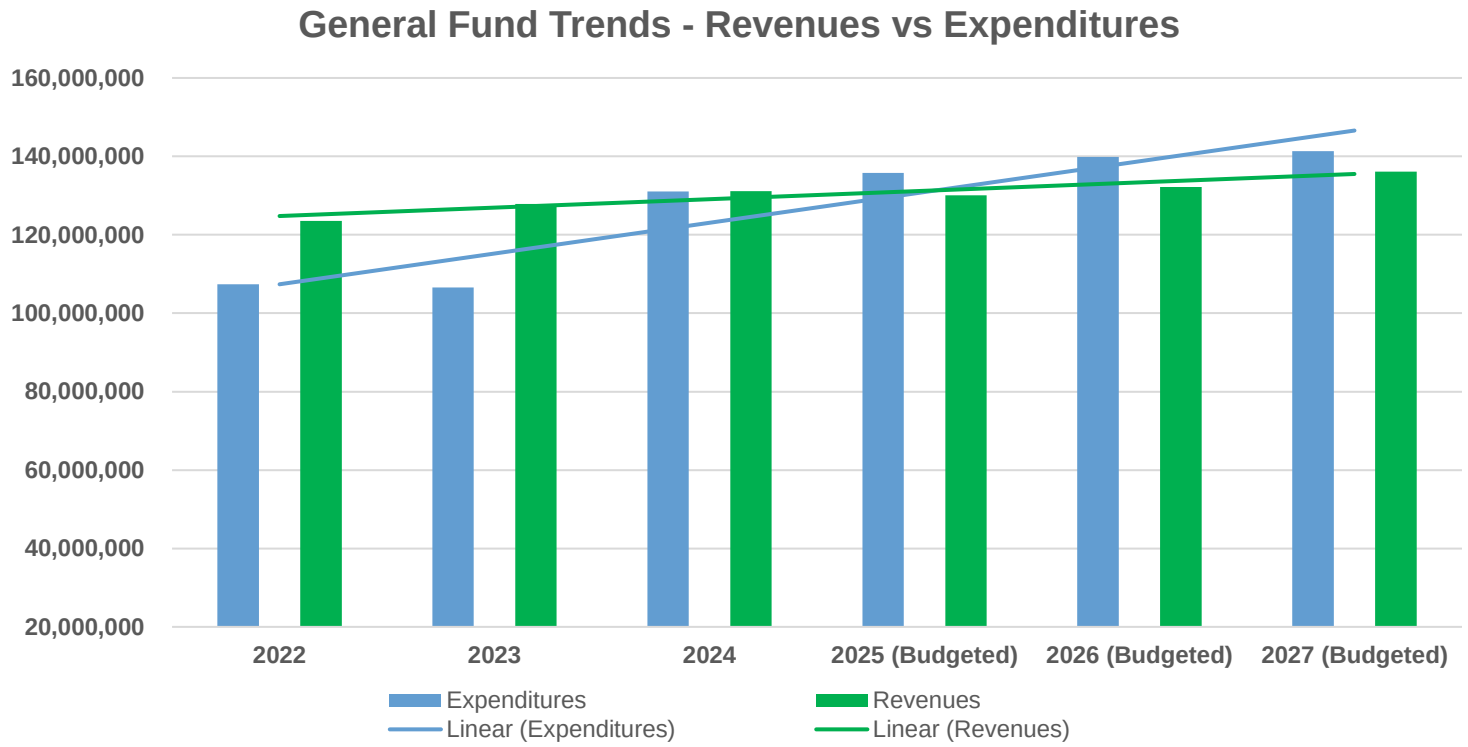


- Increase in residual fund balance in FYs 2020-2022 largely due to:
  - Increases in property transfer taxes revenues
  - Staffing vacancies in Police Department
- Estimated FY 2024-25 ending residual balance of $21.36 million is net of:
  - $7.5 million for Emma Hood
  - $15 million for Aquatic Center
  - $10.5 million assigned to various capital projects
  - $37.5 million in reserves required by City Council policy
  - $4.5 million additional set aside for Aquatic Center

Summary of Expenditure Increases

- Increases in programs and services offered over last five years, many with initial one-time funds, are now fully integrated into General Fund operating budget without offsetting revenue:
  - CARE Team (2021) ~ $3 million
  - Homelessness Initiatives (2022) ~ $2.8 million
  - Prosecution Unit (2019) ~ $1.3 million
- Insurance premiums increasing 30% each year
- Increased medical costs and PERS retirement contributions
- Overall inflation – Everything Just Costs More! 20% over last four years
- Significant increase to debt service from $1.3 million to almost $3 million due primarily to Aquatic Center financing

Summary of General Fund Trends

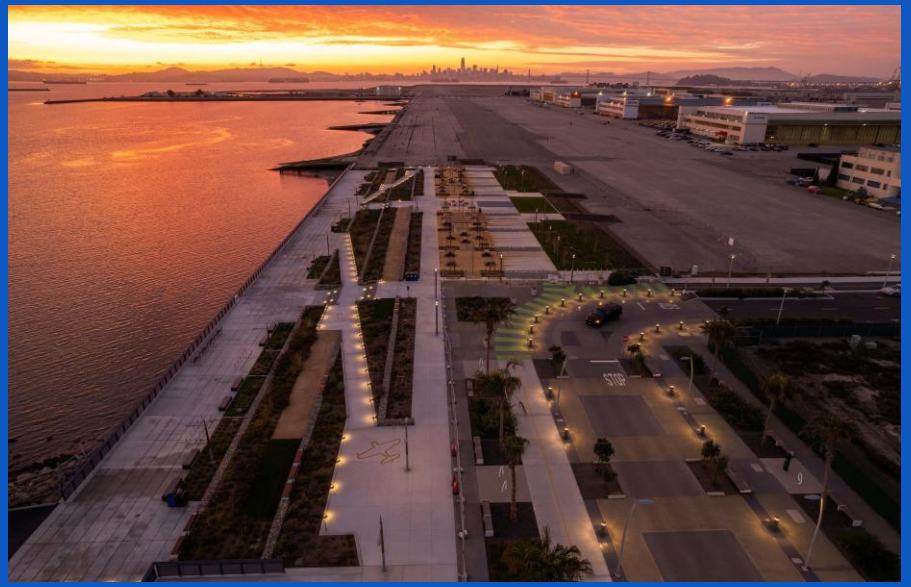


Average Yearly Expenditure Growth: 6.02%

Average Yearly Revenue Growth: 1.98%

City's Federal Funding Outlook

- Total of $30M in federally funded grants with $22.5M remaining funds not expended/reimbursed
- Of that, $6.3M is considered high risk – determining factors include:
  - Whether state or federal government currently holds funds
  - Program underway/completed or equipment already purchased
  - No other funding source to backfill



Approach to Balancing Budget prior to Review of Department Requests

Revenue Balancing Measures Pursued for General Fund

- Recouping property taxes from Harbor Bay Tax Increment Financing Transportation Fund: **+$1 million per year**
- Using excess fund balance to make payments to Closed Pensions 1079/1082 consistent with actuals: **+$1.4 million per year**
- Maintaining ambulance fees consistent with most recent rate changes: **+$800,000 per year**
- Aligning revenue for investment interest income based on projected returns: **+$2 million per year**
- Transfer of 15% of fund balance from 115 Trust Fund to pay for UAL contribution: **+$3.2 million per year**
- Utilizing FY24-25 vacancy savings to pre-pay for UAL contribution: **+$1 million per year**

Expenditure Balancing Measures Pursued for General Fund

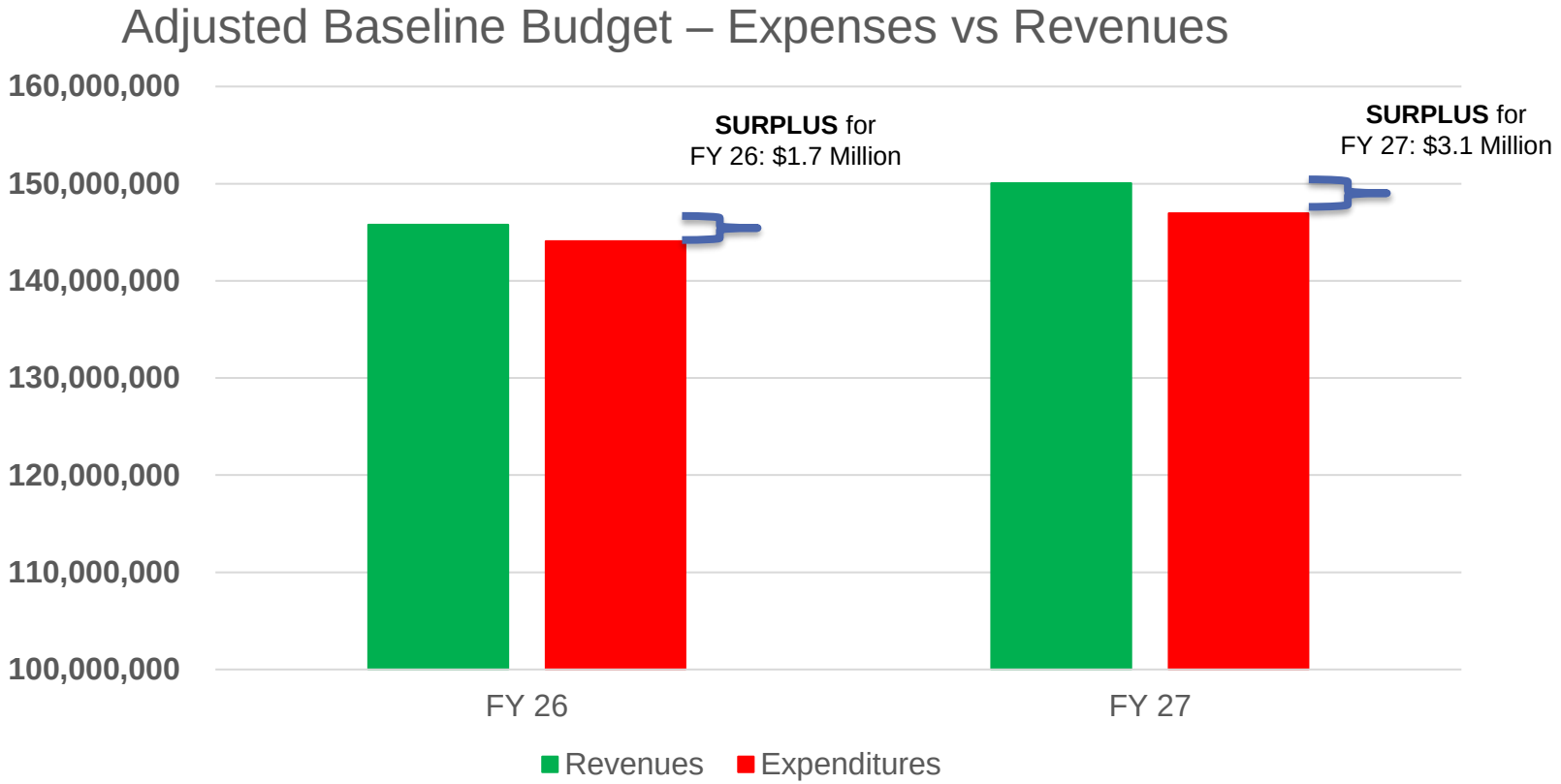
- Paying off early two fire trucks purchases with Development Impact Fees to lock in lower prices and take the burden off the GF: **-$2.8 million saved**
- Paying off debt services for certain City investments early with Residual Fund Balance: **-$639,500 per year saved**
- Accurately attributing some staff costs to the Base Reuse Fund: **-$280,000 per year saved**
- Delay hiring police officers upon reaching 47 police officers and 70 total sworn officers: **-$2.8 million per year saved**
- Closing old completed CIP projects and re-allocating their fund balance to FY 2025-26 CIP projects: **-$300,000 saved**
- Utilizing FY24-25 vacancy savings to pre-pay for one-time personnel costs

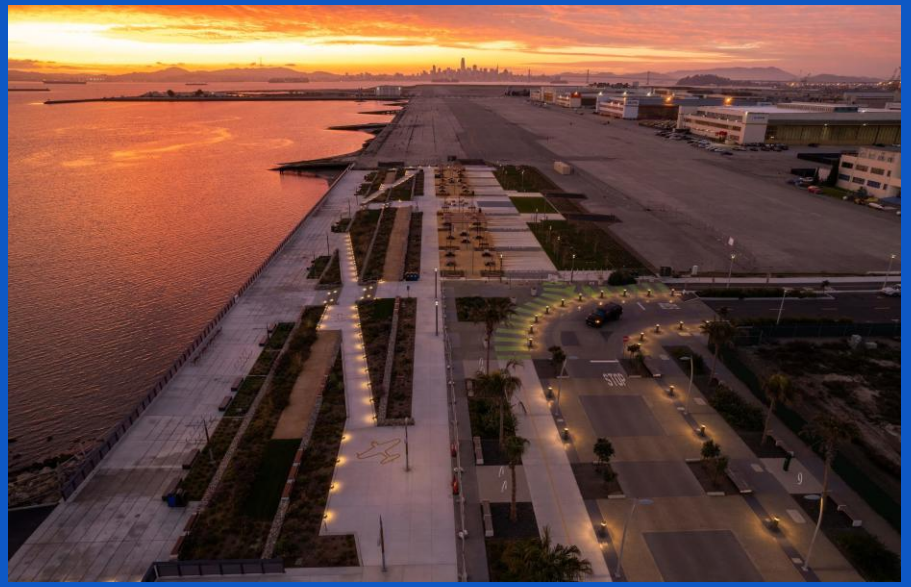
Planned Police Staffing Assignment For FY25-26

Assignment	As of 9/1/2025	Fully Staffed
Patrol	36	48
Investigations / Community Resources	6	6
Traffic	4	5
Bicycle Patrol*	0	4
Training Unit	1	2
Subtotal	**47**	**65**
Other Sworn	23	23
TOTAL	**70**	**88**

* Currently provided as ancillary duty by Patrol

General Fund Shortfall Is Eliminated After Balancing Efforts





Consideration and Prioritization of Department Requests

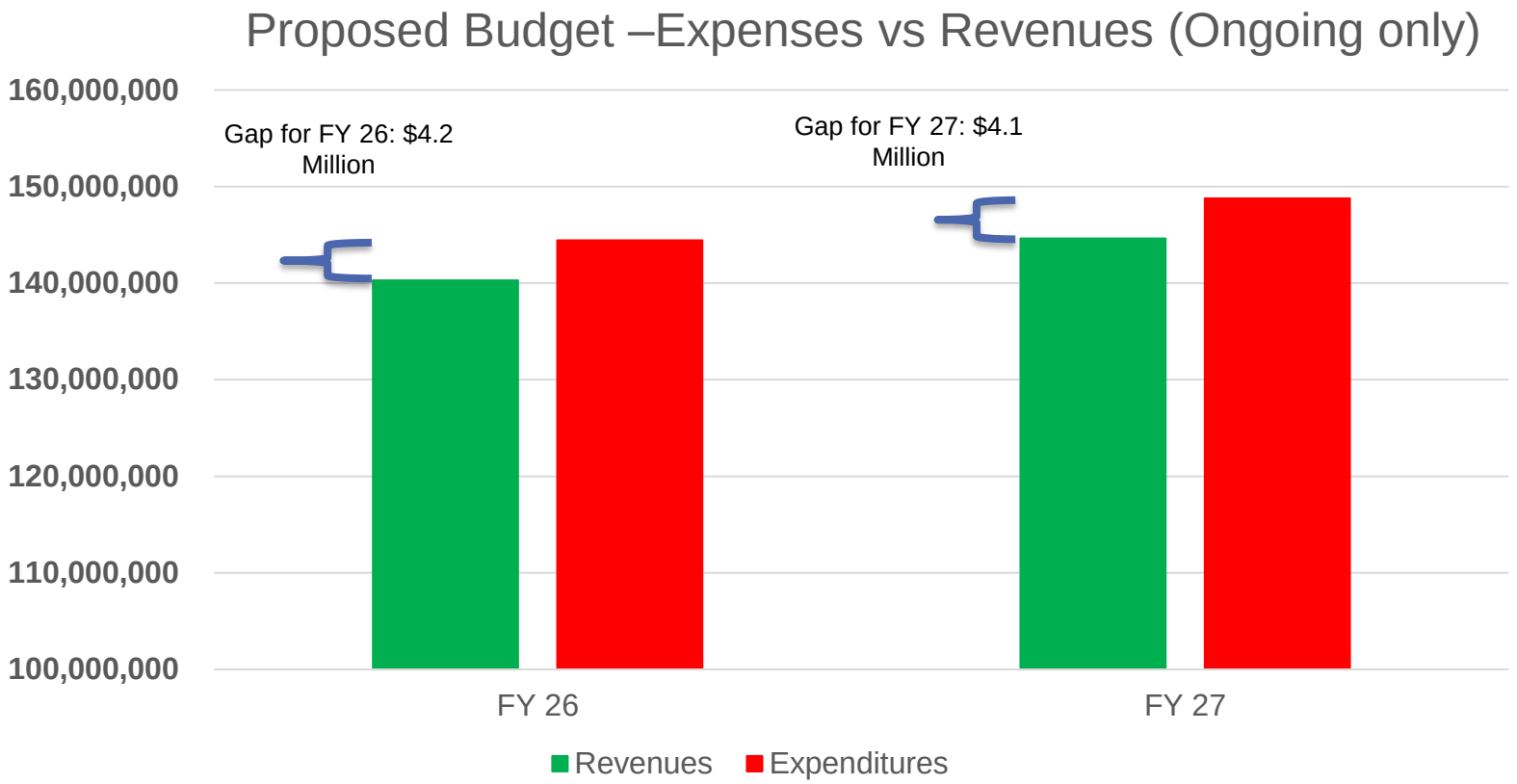
General Fund Budget Considerations and Priorities

- Taking care of existing employees in terms of their safety and retention
  - Supports a modest COLA increase
  - Includes equity salary adjustments to bring staff up to market
  - Focuses particularly on retaining Police Department staff where we have seen significant retention issues
  - Addresses the need for wage increases for part-time staff to avoid costly and disruptive turnover

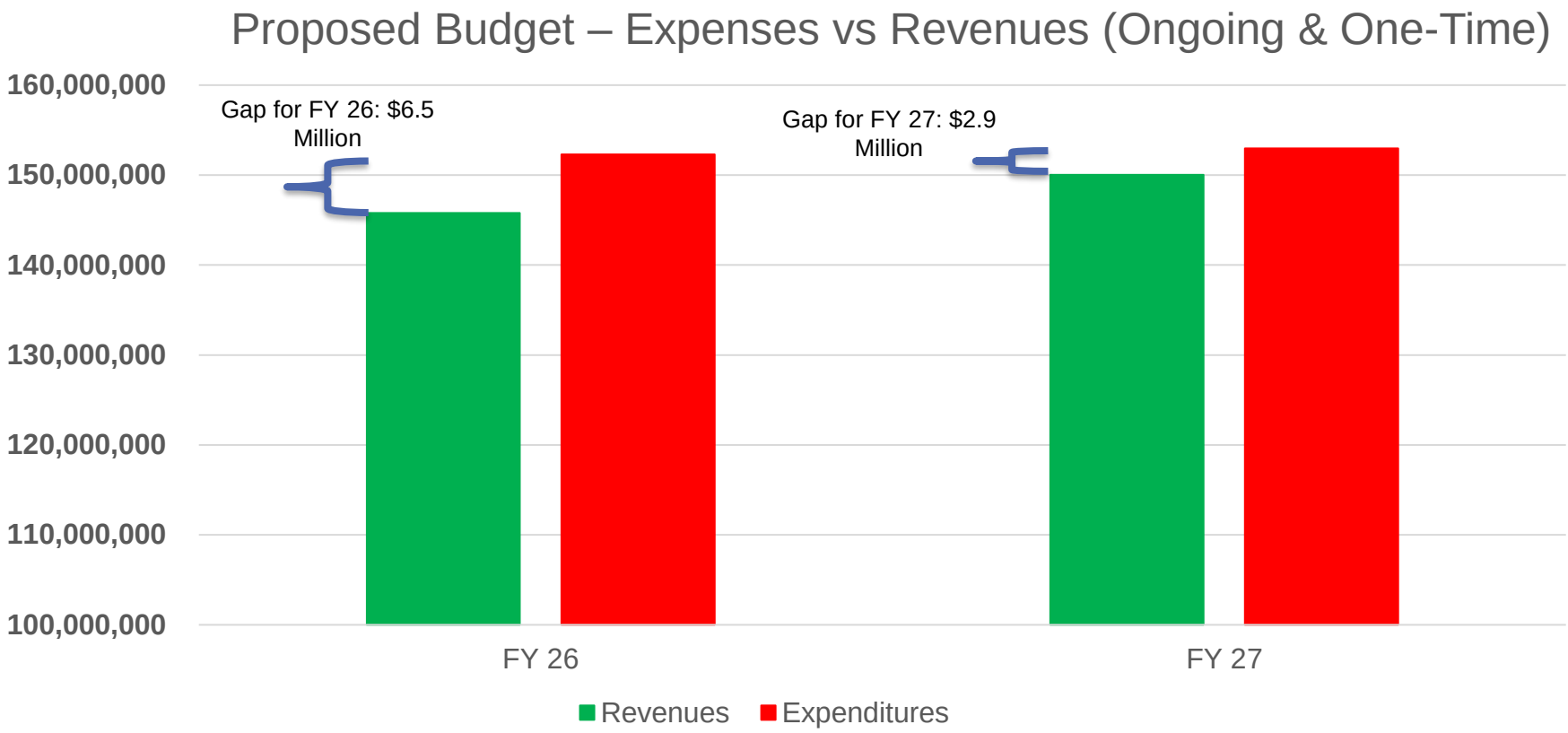
- No new staff unless offset substantially by non-General Fund revenues or reductions in expenses

- Increased O&M lines only for contractually obligated services that have COLA adjustments from vendors, but otherwise not including an inflator to O&M lines

Proposed Budget: Ongoing expenses vs. revenues from Department requests, and Salary updates



Proposed Budget: Includes All Department requests, CIP budget, One-time revenue, and Salary updates



Additional Expenditure Balancing Measures Considered but ***Not Recommended at This Time***

- Disruptive and premature to make major cuts affecting staff and services given uncertainty about longer term structural fiscal situation and stability provided by residual fund balance. Alternative expenditure measures could include:

  - Staffing Impacts, such as hiring freeze, furloughs, and/or other personnel costs
    Not recommended: Important to retain staff during uncertain and lean times

  - Reductions in major services and programs
    Not recommended: Major impacts to residents, especially most vulnerable

  - Electing for lower insurance premiums
    Not recommended: Increases risk and financial liability

  - Percentage reduction to department budgets
    Not recommended: Blunt approach that is not strategic about service impacts

Use Next Two-Year Period to Monitor and Plan for Fiscal Sustainability

- Evaluate Potential Options to Increase Revenues
  - Public safety ballot measure
  - Existing library tax increase
  - General Obligation infrastructure bond
  - Re-evaluating zoning to increase sales tax
  - Continued in-depth review on fees with a focus on cost recovery
  - Base redevelopment
- Monitor Financial Situation and Plan for Financial Contingencies, If Greater Cost Reductions Are Needed

Questions?

Department Budget Presentations

Police Department

Police Key Functions

- Patrol
- Traffic
- Investigations
- Records
- Support Services
- Communication/Dispatch
- Animal Shelter

Accomplishment Highlights from the Past Year

- Reduced all crime by nearly 13%
- 100% compliance with AB 953 on stop data collection
- Achieved an overall community rating of 4.7 out of 5.0 for officers' professionalism
- Hired 15 new officers through the City's hiring incentive and fully staffed in patrol
- Acquired and implemented early warning software
- Acquired uncrewed aerial systems (drones)
- Implemented central repository for all APD systems for criminal investigations
- Updated all required policies

Police Budget Considerations

- Increase supplies required for mandatory training
- Funding for Supreme Court required CCW process and DNA testing
- Increase in Alameda County’s 5% cost for CAL/ID systems access
- Funding for Wi-Fi to upload evidence in the field

Operating Budget Proposals Above Baseline

Recommended	**Year 1**	**Year 2**	**Funding Source**	**One-Time**	**Ongoing**
Services and Supplies	$53,200	$53,200	General Fund		X
TOTAL	**$53,200**	**$53,200**			

Workforce Change Proposals Above Baseline

Not Recommended	Year 1	Year 2	Funding Source	One-Time	Ongoing
Add Administrative Technician I	$130,000	$130,000	General Fund		X
Add 2 Senior Public Safety Dispatchers	$214,000	$214,000	General Fund		X
TOTAL	**$344,000**	**$344,000**			

Fire Department

Fire Key Functions

- All-Risk Fire Suppression Operations
- Advanced Life Support Emergency Medical Services
- Training Division
- Community Education
- Disaster Preparedness/Emergency Operations Center
- Fire Prevention Bureau
- Community Assessment Response & Engagement (CARE) Team
- Hazardous Materials Response and Mitigation
- Confined Space and Water Rescue Services

Accomplishment Highlights from the Past Year

- CARE Team was honored as "Program of the Year" by ALCO EMS.
- Negotiated and implemented a department reorganization
- Upgraded cardiac monitors, ambulance gurneys, and other Advanced Life Support equipment
- Completed Standards of Coverage and Risk Assessment analysis.
- Delivered 21,172 hours of training for Fire Department personnel.
- Took delivery of aerial truck and replaced PFAS safety gear with newer gear that reduces health risk to firefighters
- Was awarded an Assistance to Firefighter Grant to fund the training of eight paramedics

Fire Budget Considerations

- Boosted revenue through ambulance user fees and PP-GEMT to support fire department operations
- Seeking funding to replace the Zoll records management system (end of life) with ImageTrend to ensure NERIS compliance by December 2026
- Requesting an increased part-time budget for Fire Prevention to hire an annuitant, prioritizing community safety as the most critical reason, while improving inspection efficiency and reducing staff workload

Operating Budget Proposals Above Baseline

Recommended	**Year 1**	**Year 2**	**Funding Source**	**One-Time**	**Ongoing**
New records management system (Image Trend)	$24,828	$24,828	General Fund		X
Part-time Staff Budget: Fire Prevention	$22,000	$22,000	General Fund		X
Increased Fire Inspection Revenue	($22,000)	($22,000)	General Fund		X
TOTAL	**$24,828**	**$24,828**			

Workforce Change Proposals Above Baseline

Not Recommended	Year 1	Year 2	Funding Source	One-Time	Ongoing
Add Office Assistant	$125,000	$125,000	General Fund		X
TOTAL	**$125,000**	**$125,000**			

Public Works

Public Works Key Functions

- Sewer and Stormwater
- Streets, including pavement, sidewalk, signage and striping
- Clean Water Program, including street sweeping
- Traffic Signals and Streetlights
- Urban Forrest
- Parking
- Zero Waste Program, including Garbage and Recycling Franchise Agreement
- Capital Improvement Program
- City Facilities
- Fleet Services
- Special Districts Administration
- Land Development, Permits, and Construction Inspection

Accomplishment Highlights from the Past Year

- Completed construction of Clement Av and began construction of Central Avenue Safety Improvement projects
- Dredged Lagoon 5 and completed cleaning of Bayview outfall culvert
- Convert City Hall West's lawn to a drought tolerant landscape
- Completed construction of Alameda Point Adaptive Reuse backbone infrastructure, phase 1
- Completed signal upgrades for Cross Alameda Trail between Main Street and Wilma Chan Way
- Launched program to manage mandated trash/litter reduction efforts on private properties in Alameda
- Launched new sidewalk program making it easier for property owners to get repair work done

Public Works Budget Considerations

- Ongoing maintenance of aging City buildings, including public libraries, recreational centers, City Halls, fire stations and other administrative offices. Including general repairs, painting, HVAC system upgrades, and emergency generators to ensure all facilities remain functional, comfortable, and compliant with accessibility standards
- Rising costs of contractual services
- Transitioning to a zero emission City Fleet
- Improving stormwater management systems to mitigate the risk of flooding during heavy rainfall and keep trash out of local waterways

Operating Budget Proposals Above Baseline – General Fund Only

Recommended	Year 1	Year 2	Funding Source	One-Time	Ongoing
Street Lights On-Call program, software, and uniform costs	$25,000	$25,000	General Fund		X
TOTAL	**$25,000**	**$25,000**			

Operating Budget Proposals Above Baseline – Non General Fund

Recommended	Year 1	Year 2	Funding Source	One-Time	Ongoing
Sotfware and membership costs	$10,000	$10,000	Gas Tax (Fund 211)		X
Scheduled sewer fleet replacements	($140,217)	$331,783	Sewer Services (Fund 501)		X
Contracted expenses	$43,305	$43,305	Sewer Services (Fund 501)		X
Scheduled revenue rate increase	($501,618)	($501,618)	Sewer Services (Fund 501)		X
Part-Time Staff Budget	$34,400	$34,400	Parking (Fund 265)		X
Parking Revenue	($191,700)	($191,700)	Parking (Fund 265)		X
Permits for Government agencies	$9,000	$9,000	Solid Waste Surcharge (Fund 260)		X
Reduce TIF revenue from SF Bay Ferry	($350,000)	($350,000)	TIF (Fund 287)		X

Operating Budget Proposals Above Baseline – Non General Fund Continued

Recommended	Year 1	Year 2	Funding Source	One-Time	Ongoing
Contractual costs increases	$113,315	$115,655	Stormwater (Fund 264)		X
Contractual costs increases and AED services	$61,697	$61,697	Facilities Maintenance & Replacement (Fund 603)		X
Contractual costs increases	$205,958	$214,999	Special Districts Funds: 271-276		X
Urban Forest Program Update	$268,700	$268,700	Funds: 265, 269, 271-272, 277, 279, 281, 290, 603		X
Urban Forest Program Revenue Update	($603,896)	($607,896)	Funds: 265, 269, 271-272, 277, 279, 281, 290, 603		
TOTAL	**($1,059,056)**	**($580,675)**			

Workforce Change Proposals Above Baseline

Not Recommended	Year 1	Year 2	Funding Source	One-Time	Ongoing
Add Maintenance Worker I	$120,000	$120,000	General Fund		X
Add Maintenance Worker II	$134,000	$134,000	General Fund		X
TOTAL	**$254,000**	**$254,000**			

Recreation & Parks

Recreation & Parks Key Functions

- Park Maintenance
  - Maintain clean and safe parks, facilities and fields
  - 27 Parks, 17 additional recreation facilities
  - 40 athletic fields, 16 tennis courts, 43 picnic areas, 3 public boat ramps, gym, skate park, model airplane field, 12 recreation centers
- Recreation Programs
  - Provide recreation activities and programs for tiny tots, youth, adults, families, and seniors
  - Classes, camps, aquatics, sports, community events, park ambassadors, and facility rentals
- Senior Services (Mastick Senior Center)
  - Provide services and recreational activities for adults 50 years and older
  - Activities include: trips, classes, meals, support services, information & referral, paratransit, and fundraising

Accomplishment Highlights from the Past Year

- Completed several park improvement projects including a new playground at Tilman and Mckinley park, tennis court resurfacing and pathway improvements at Krusi park, tennis court surface at Franklin park, and other maintenance projects throughout the year including pathway replacement and field maintenance (seeding, aeration, compost, trimming).
- Most recreation programs have surpassed pre-pandemic levels with growth in Youth and Adult Sports.
- Encinal Swim Center implemented daytime access.

Recreation & Parks Budget Considerations

- Increase safety and efficiencies in park operations
  - Implement asset management and work order system
  - Tree maintenance
  - Storm drain maintenance
- Emma Hood Swim Center Re-opening 2026
  - Staffing and operating costs
- Park Technician to replace contracted services for in-house repairs

Operating Budget Proposals Above Baseline

Recommended	**Year 1**	**Year 2**	**Funding Source**	**One-Time**	**Ongoing**
Emma Hood Operations	$111,500	$537,000	General Fund		X
Recreation programs	$284,093	$340,958	General Fund		X
Preventative Tree Maintenance	$75,000	$75,000	General Fund		X
Park Maintenance (General Fund)	$146,331	$169,688	General Fund		X
Irrigation System	$80,000	$0	General Fund	X	
Storm Drain Maintenance	$35,000	$35,000	General Fund	X	
Park Maintenance (Special Districts)	$42,500	$54,550	Funds: 273, 277, 279, 280, 281		X
TOTAL	**$774,424**	**$1,212,196**			

Operating Budget Proposals Above Baseline

Recommended	**Year 1**	**Year 2**	**Funding Source**	**One-Time**	**Ongoing**
Emma Hood Operations Revenue	($106,500)	($580,250)	General Fund		X
ARPD Program Fee Revenue	($657,673)	($753,703)	General Fund		X
ARPD Fee Increases Revenue	($670,000)	($782,480)	General Fund		X
Reduce Professional Services for Park Technician (General Fund Portion)	($100,000)	($100,000)	General Fund		X
Reduce Professional Services for Park Technician (Special Districts Portion)	($20,000)	($20,000)	Funds: 277, 279, 280, 281		X
TOTAL	**($1,554,173)**	**($2,236,433)**			

Workforce Change Proposals Above Baseline

Recommended	**Year 1**	**Year 2**	**Funding Source**	**One-Time**	**Ongoing**
Add Park Technician (General Fund portion)	$130,000	$130,000	General Fund		X
Add Park Technician (Special District Funds portion)	$20,000	$20,000	Funds: 273, 277, 279, 280, 281		X
TOTAL	**$150,000**	**$150,000**			

Postponed Until Completion	**Year 1**	**Year 2**	**Funding Source**	**One-Time**	**Ongoing**
Add Park Maintenance Worker (Estuary Park)		$69,000	General Fund		X
TOTAL	**$**	**$69,000**			

Planning, Building, & Transportation

Planning, Building & Transportation Dept. Key Functions

- Planning - Prepare and implement plans and ordinances to guide the orderly development of the City consistent with City Council priorities and State law
- Building - Review all physical changes to the built environment for consistency with Council priorities and enforce municipal codes, ordinances, adopted plans and State Building Codes
- Transportation - Prepare and implement plans prioritizing safety improvements, coordinate with transit service partners to enhance the City's transportation network, and advance Vision Zero initiatives to eliminate traffic-related injuries and fatalities
- Sustainability - Develop and implement climate action strategies, sea level rise adaptation measures, and environmental policies to reduce greenhouse gas emissions, enhance community resilience, and safeguard Alameda's natural resources and infrastructure

Accomplishment Highlights from the Past Year

- Obtained state designation as a Pro-Housing City
- Updated the Subdivision Ordinance to streamline housing approvals
- Launched the Express Permits residential online permitting service
- Issued over 5,300 permits for property improvements worth over $180 million
- Completed over 38,000 building and code enforcement inspections
- Launched an award-winning water shuttle pilot program
- Completed the Clement Avenue Safety Improvements Project, closing a 1 mile gap in the Cross Alameda Trail
- Completed a Mid-Cycle CARP Update and Local Hazard Mitigation Plan

Planning, Building & Transportation Budget Considerations

Planning/Building/Code Enforcement

- Decline in development activity is impacting permit revenue; previously averaged ~$6M/year, now projected under $4M annually
- Revising fees to improve cost recovery:
  - Updating inspection fees to accurately reflect current staff time required under new building codes
  - Adjusting specific fees closer to full cost recovery levels
- Enhancing Permit Center efficiency:
  - Increasing plan check budget (3x) to be covered by on-demand plan check fees (cost neutral)
  - Establishing a pool of three plan check consultants to implement Express Permits 2.0

Planning, Building & Transportation Budget Considerations

- Achieving salary savings through attrition, however, services not funded by permit fees and requiring General Fund support:
  - Code Enforcement for non-permit related activities such as enforcement of gas leaf blowers, flavored tobacco and graffiti
  - Airport-related monitoring activities ($10,000)
- Transportation/Sustainability - Seeking $50,000 from General Fund to correctly allocate City Attorney expenses related to Transportation Planning and Climate Action work.
- Transportation - Requesting $70,000 in General Fund support to continue Senior Free Bus Pass program, impacted by recent 22% AC Transit fare increase and waitlist.

Operating Budget Proposals Above Baseline

Recommended	**Year 1**	**Year 2**	**Funding Source**	**One-Time**	**Ongoing**
CAO support for Transportation & Climate programs	$50,000	$50,000	General Fund		X
Code Enforcement program costs	$60,750	$60,750	General Fund		X
Airport noise staffing	$10,000	$10,000	General Fund		X
TOTAL	**$120,750**	**$120,750**			

Workforce Change Proposals Above Baseline

Recommended	Year 1	Year 2	Funding Source	One-Time	Ongoing
Transfer IT Systems Analyst to IT Dept	($198,180)	($199,830)	PBT (Fund 209)		X
TOTAL	**($198,180)**	**($199,830)**			

Not Recommended	Year 1	Year 2	Funding Source	One-Time	Ongoing
Add Transportation Coordinator	$184,000	$184,000	General Fund		X
TOTAL	**$184,000**	**$184,000**			

City Attorney

City Attorney Key Functions

- Litigation
- Municipal Advisory
- Police Auditor
- Prosecution and Public Rights
- Rent Program
- Risk Management

Accomplishment Highlights from the Past Year – Rent Program

- Launched first drive to collect annual registration statements for fully regulated rental units, with 87% compliance as of April 2025
- As a result, landlords updated registration information (i.e. unregistered tenancies, out-of-date rents) for nearly half the 13,000 fully regulated rental units in Alameda
- Responded to an average of 743 public inquiries per month
- Implemented an updated Capital Improvement Plan Policy approved by Council in 2023, and processed seven applications
- Provided $24K in financial assistance to displaced tenants from the Temporary Relocation Tenant Assistance Fund while pursuing reimbursement from the responsible landlord
- Launched in-house capacity to investigate violations and issue citations

Rent Program Budget Considerations

- Rent Program proposes to convert a part-time Program Assistant to a full-time Housing Specialist (approximately: $80,000 annually)
  - Meet demands of annual registration requirements, including processing submissions for 13,000 rental units, investigating potential invalid rent increases in a timely manner, and maintaining a high level of customer service with an increasing number of public inquiries
- Rent Program operations are funded entirely by annual program fees paid by landlords and tenants (no general fund impact)
- Since making the transition to an in-house department of the City Attorney's Office in 2022, the Rent Program has successfully addressed a previous structural budget deficit by limiting expenses and improving revenue collection

Workforce Change Proposals Above Baseline

Recommended	**Year 1**	**Year 2**	**Funding Source**	**One-Time**	**Ongoing**
Add Housing Specialist II	$149,000	$151,980	Rent Fund (Fund 207)		X
TOTAL	**$149,000**	**$151,980**			

Accomplishment Highlights from the Past Year - PPRU

- In 2024, the PPRU **reviewed 800 misdemeanor cases** for charging, representing a 16% increase over 2023 and 363% over the 2020 baseline.
- In response to new state legislation as of January 1st, 2025, the Unit has **instituted a Race-Blind charging protocol** in compliance with Penal Code 741. The Unit was required to quickly and nimbly craft a solution to race-blind charging due to the fact that the Alameda County District Attorney's Office's case management system was not yet in compliance with the law.
- On the fair housing side, the PPRU successfully initiated **a housing enforcement action against Barnhill Marina** in April 2024, seeking a court order to protect the housing rights of the Barnhill tenants. In November 2024, the Alameda County Superior Court ruled fully in favor of the City, imposing over $335,000 in penalties against the marina owners and issuing a permanent injunction to prevent further harassment of tenants.

Prosecution & Public Rights Budget Considerations

- Funding to support the **launch of a victim services function** within the Prosecution and Public Rights Unit
  - While PPRU was nearly successful in obtaining 900k of federal grant funding (supporting 2 advocates), such funding was eliminated by the current federal administration.
- The remainder ($32,016) of PPRU's General Fund request seeks to cover the following key areas:
  - Maintaining a CJIS-compliant **case management system**;
  - Continuing to rent **office space near the county courthouse**;
  - Providing continued **training for attorneys and support staff**; and
  - Funding **community education programs and workshops** especially in support of the victim services function.

Operating Budget Proposals Above Baseline – General Fund only

Recommended	Year 1	Year 2	Funding Source	One-Time	Ongoing
O&M for PPRU unit	$32,016	$32,016	General Fund		X
TOTAL	**$32,016**	**$32,016**			

Workforce Change Proposals Above Baseline

Not Recommended	Year 1	Year 2	Funding Source	One-Time	Ongoing
Add Administrative Management Analyst	$108,000	$207,000	General Fund		X
TOTAL	**$108,000**	**$207,000**			

Operating Budget Proposals Above Baseline – General Fund only

Recommended	Year 1	Year 2	Funding Source	One-Time	Ongoing
Legal Services & Part-time Budget	$105	$25,110	General Fund		X
TOTAL	**$105**	**$25,110**			

Operating Budget Proposals Above Baseline – Non General Fund

Recommended	Year 1	Year 2	Funding Source	One-Time	Ongoing
Litigation	$800,000	$500,000	Golf (Fund 250)	X	
Part-time Staff Budget	$63,537	$66,847	Alameda Point, General Liability, Worker's Comp		X
TOTAL	**$863,537**	**$566,847**			

Alameda Free Library

Library Key Functions

- Enhance early literacy skills through programs and materials
- Foster lifelong learning and support the informational and recreational needs of all Alamedans
- Provide a welcoming space for Alamedans to gather

Accomplishment Highlights from the Past Year

- Welcomed 186,000 people at the Main, Bay Farm Island, and West End Libraries
- Presented 1,251 events that were attended by more than 37,000 people
- People checked out 725,380 items – the equivalent of every Alamedan checking out just over 9 items
- Assisted 70 adult learners achieve their goals, including becoming a citizen and earning a high school diploma
- 30% growth in Summer Reading Challenge participation

Library Budget Considerations

- Staff capacity and safety
  - 1 full-time librarian each at Bay Farm Island and West End Libraries
  - 1 full-time social worker at the Main Library
  - 1 library technician at the Main Library
  - Unarmed security officers at the Main Library during operating hours
- Focus on the services and resources that draw the community to the Library
- Align operating hours for safety, efficiency and based on community usage
  - Bay Farm Island & West End open 40 hours/week (one hour more each)
  - Main Library open 53 hours/week (one hour less)
  - Expands services, including out in the community

Operating Budget Proposals Above Baseline – Non-General Fund

Recommended	**Year 1**	**Year 2**	**Funding Source**	**One-Time**	**Ongoing**
Security guard costs	$100,000	$100,000	Library (Fund 210)		X
Reduce Part-time Staff Budget	($75,000)	($75,000)	Library (Fund 210)		X
TOTAL	**$25,000**	**$25,000**			

Workforce Change Proposals Above Baseline

Recommended	Year 1	Year 2	Funding Source	One-Time	Ongoing
Add 2 Librarians to Branch Libraries	$270,000	$270,000	Library (Fund 210)		X
Add 1 Social Worker to Main Branch		$135,000	Library (Fund 210)		X
Add 1 Library Technician to Main Branch		$112,000	Library (Fund 210)		X
Transfer IT Systems Analyst to IT Dept	($198,180)	($199,830)	Library (Fund 210)		X
TOTAL	**$71,820**	**$317,170**			

Workforce Change Proposals Above Baseline

Not Recommended	Year 1	Year 2	Funding Source	One-Time	Ongoing
Add Librarian to Main Branch	$135,000	$135,000	Library (Fund 210)		X
TOTAL	**$135,000**	**$135,000**			

Finance Department

Finance Key Functions

- Accounting
- Accounts Payable
- Accounts Receivable
- Budget
- Payroll
- Treasury/Cash Management
- Mail Service

Accomplishment Highlights from the Past Year

- Issued FY 2024 Annual Comprehensive Financial Report in house.
- Issued the City's first Popular Annual Financial Report (PAFR), providing residents with an accessible summary of the city's financial performance.
- Awarded the GFOA's Certificate of Achievement for Excellence in Financial Reporting for 2023.
- In a historic first for the City, we transitioned to a new banking partner—unlocking better pricing, added value, and cutting-edge financial services that will power our City's growth and evolving needs.
- Updated the Master Fee Schedule to improve cost recovery, following a thorough fee analysis to make up for the temporary pause during the pandemic. Additional fees for collections and payment plans were added to the schedule to support our collection efforts.
- Partnered with HDL to implement new discovery and compliance processes for business licensing, resulting in an additional $450,000 in revenue.
- Created a City-wide Collection Policy to mitigate revenue loss and implemented payment options to stay aligned to the City's commitment to public assistance.
- Processed 22,827 vendor invoices and 12,935 payroll checks.

Finance Budget Considerations

- None.
- Did not submit any requests.

Base Reuse and Economic Development

Base Reuse and Economic Development Key Functions

- Citywide Economic Development
- Asset & Property Management for City-Owned Properties
- Base Reuse, Leasing, Sales and Development

Accomplishment Highlights from the Past Year

- Commenced West Midway / RESHAP site & infrastructure work
- Added three new tenants to City properties; renewed / amended five leases
- Advanced sale of two buildings at Alameda Point
- Developed Enterprise District development strategy
- Groundbreaking of 229-room hotel on Bay Farm Island
- Completed Park / Webster Street Strategy to address vacancies
- Launched RiseUp Alameda (two-year, guaranteed basic income pilot program), supporting 150 households with $1,000 per month beginning Dec 2023
- Awarded 15 façade improvement grants, 8 cultural arts grants, 14 special event permit grants
- Launched Small Business technical assistance program, supporting over 60 businesses in a three-month period so far

Base Reuse and Economic Development Budget Considerations

- Base Reuse budget is predominantly funded through lease revenues, allocated to special funds, not General Fund
  - Leases have been slow for past year due to market conditions, resulting in stable revenue and limited surplus. Additional Administrative Management Analyst requested to focus on leases as well as construction / rehab work
- General Fund considerations:
  - Need for GF revenue to fund technical real estate work needed for lease negotiations in non-Alameda Point / Tidelands areas (e.g. cell towers, Grandview pavilion) – estimated recovery of $200,000 annually in net lease increases

Operating Budget Proposals Above Baseline

Recommended	Year 1	Year 2	Funding Source	One-Time	Ongoing
Consultant support for lease negotiations	$30,000	$30,000	General Fund	X	
Consultant support for lease negotiations	$100,000	$100,000	Tidelands (Fund 216)	X	
TOTAL	**$130,000**	**$130,000**			

Workforce Change Proposals Above Baseline

Recommended	**Year 1**	**Year 2**	**Funding Source**	**One-Time**	**Ongoing**
Add Administrative Management Analyst	$178,000	$181,560	Alameda Point / Tidelands		X
TOTAL	**$178,000**	**$181,560**			

City Manager Office

City Manager Key Functions

- Provide Leadership and Direction to City Departments
- Support the City Council Strategic Plan
- Support, Foster and Communicate with City Employees
- Promote interagency relationships
- Legislative Advocacy and Media Relations
- Public and Crisis Communications, Community Engagement
- Housing and Human Services
    - Implement *The Road Home* – 5-Year Strategic Plan to Prevent and Respond to Homelessness in Alameda
    - Support maintenance, management and construction of affordable housing

Accomplishment Highlights from the Past Year

- Legislative and Communication – support position on 50 bills, City Council approval of 2025-2027 Legislative Agenda, submitted new requests for critical federal funding. Navigated challenging media relations issues, updated website design, increased City visibility and local business promotion on social media
- Continued to increase interdepartmental staff support and training opportunities
- Supporting negotiations with seven bargaining units
- Supported the Fire Department reorganization
- Moved 216 people into housing and filled 48 Below Market Rate housing units (both ownership and rental)

City Manager Budget Considerations

- Emergency Supportive Housing ARPA funding expended Dec. 2025. General Fund support is needed to continue the program. Alternative options to reduce the program may be considered.
- Homeless mobile outreach and encampment resolution can be managed more effectively in-house with a City full-time Program Specialist II and part time Case Managers, offset by not renewing current homeless outreach contract. Also need to purchase an ADA van to support homelessness outreach.
- Due to critical leadership positions on major regional boards and resulting increased responsibilities, the Mayor is seeking additional part-time administrative support

Operating Budget Proposals Above Baseline

City Manager

Recommended	Year 1	Year 2	Funding Source	One-Time	Ongoing
ADA van for Homeless Outreach	$85,000		General Fund	X	
Emergency Supportive Housing (ESH) ARPA replacement funding	$18,000		General Fund	X	
ESH ongoing operations	$540,000	$1,100,000	General Fund	X	
TOTAL	**$643,000**	**$1,100,000**			

Mayor's Office

Recommended	Year 1	Year 2	Funding Source	One-Time	Ongoing
Part-time Staff Budget	$68,000	$68,000	General Fund		X
TOTAL	**$68,000**	**$68,000**			

Workforce Change Proposals Above Baseline

Recommended	Year 1	Year 2	Funding Source	One-Time	Ongoing
Upgrade Office Assistant to Admin Technician III (HHS)	$16,000	$17,000	General Fund		X
Add Program Specialist II (HHS)	$159,000	$159,000	General Fund		X
TOTAL	**$175,600**	**$176,700**			

Not Recommended	Year 1	Year 2	Funding Source	One-Time	Ongoing
Add Media and Communication Coordinator	$117,000 $39,000	$117,000 $39,000	General Fund Alameda Point (290)		X
Add Senior Management Analyst	$206,000	$206,000	General Fund		X
TOTAL	**$362,000**	**$362,000**			

Human Resources Department

Human Resources Key Functions

- Labor Relations & Negotiations
- Employee Relations
- Recruitment & Retention
- Employee Benefits Administration
- Leave Management
- Classification & Compensation Administration
- Disability Management
- Training & Development
- Policy & Procedure Maintenance & Development

Accomplishment Highlights from the Past Year

- Completed Over 75 Recruitments
- Processed 122 Full-Time appointments including: 65 New Hire appointments, 23 Part-Time to Full-Time appointments, 2 Re-hire appointments, 1 Transfer appointments, and 31 promotional appointments
- Negotiated amendment to Memorandum of Understanding between the City of Alameda and the Management & Confidential Employee Association to provide 24/7 IT support to all City Departments and staff.
- Negotiated amendment to Memorandum of Understanding between the City of Alameda and the International Association of Fire Fighters and Alameda Fire Chiefs Association to reorganize the Fire Department to modernize operations, improve efficiency, provide promotional opportunity, and align with industry standards, all within the existing budget.
- Implemented a Citywide classification specification revision project which aims to create ADA compliant and inclusive job specifications.
- Provided supervisor trainings on topics including harassment, discrimination and retaliation, performance management, protected leaves, wage and hour law compliance, disability management, communication, and recruitment.
- Provided citywide trainings on conflict resolution and employee wellness.
- Facilitated the resolution of numerous sensitive employee relations issues and investigations

Human Resources Budget Considerations

- No budget requests recommended

Workforce Change Proposals Above Baseline

Not Recommended	Year 1	Year 2	Funding Source	One-Time	Ongoing
Add Safety Officer - Citywide	$190,000	$190,000	General Fund		X
TOTAL	**$190,000**	**$190,000**			

Information Technology

Information Technology Department Key Functions

- Cybersecurity is Our Top Priority
  - Implement best cybersecurity practices to minimize risk to city
- Support Internal City Technology Infrastructure
  - Manage/maintain all hardware, software, network connectivity
  - Transition to Microsoft 365 and its related services to increase efficiencies
  - Continue 4-to-5-year PC/laptop replacement cycle
  - Provide end user support
  - Coordinate with departments on new software tools and needs

Accomplishment Highlights from the Past Year

- Initiated the Microsoft 365 migration, including backend servers and installing software on all employees' devices
- To increase our cybersecurity posture; we rolled out a new robust antivirus software
- Began implementing the Network Resiliency Project
- Launched a pilot program for an advanced patch management system
- Completed the workshops to update of the 5-Year IT Strategic Plan

Information Technology Budget Considerations

- Requesting funding for additional cybersecurity protection tools
- Transferring two current City employees from other Departments (Library and PBT) to the Information Technology Department
  - The Library IT staff member will focus on cybersecurity and AI oversight
  - The PBT IT staff will be moved to centralize all IT staffing city-wide

Operating Budget Proposals Above Baseline

Recommended	**Year 1**	**Year 2**	**Funding Source**	**One-Time**	**Ongoing**
Artic Wolf network security software	$277,757		IT ISF (Fund 606)	X	
TOTAL	**$277,757**				

Workforce Change Proposals Above Baseline

Recommended	**Year 1**	**Year 2**	**Funding Source**	**One-Time**	**Ongoing**
Transfer IT Systems Analyst from Library to IT Dept	$198,180	$199,830	IT ISF (Fund 606)		X
Transfer IT Systems Analyst from PBT to IT Dept	$198,180	$199,830	IT ISF (Fund 606)		X
TOTAL	**$396,360**	**$399,660**			

City Clerk

City Clerk Key Functions

- Legislative/Council Support
- Public Records Requests/Records Management
- Elections
- Passport Processing
- Civil Marriage Ceremonies
- Cable Studio/Meeting Broadcasts
- Sunshine Ordinance/Open Government Commission
- Fair Political Practices Commission Compliance

Accomplishment Highlights from the Past Year

- In FYs 2023-2025, the City Clerk's Office addressed election reform issues and conducted a general municipal election
- Transitioned to Hearing Officer format for adjudication of Sunshine Ordinance Complaints
- Updated the City's Records Retention Schedule
- Civil marriage ceremonies increased by 83% in FY 2023-24 and 12% in FY 2024-25
- Upgrading a part time position to full time has helped with high passport demand, as well as general office functions and coverage
- Hybrid meetings continue with remote public participation

City Clerk Budget Considerations

- None.
- Did not submit any requests.

Summary of Workforce Requests

General Fund Proposed Total Workforce Requests

Recommended	**Year 1**	**Year 2**	**Funding Source**	**One-Time**	**Ongoing**
Upgrade Office Assistant to Admin Technician III (HHS)	$16,000	$17,000	General Fund		X
Add Program Specialist II (HHS)	$159,000	$159,000	General Fund		X
--Offset: O&M contract reduction	($102,400)	($99,300)	General Fund		X
Add Park Technician (GF portion)	$130,000	$130,000	General Fund		X
--Offset: O&M contract reduction	($100,000)	($100,000)	General Fund		X
TOTAL	**$102,600**	**$106,700**			

Non-GF Proposed Total Workforce Requests

Recommended	Year 1	Year 2	Funding Source	One-Time	Ongoing
Add Park Technician (Special District Funds portion)	$20,000	$20,000	Funds: 273, 277, 279, 280, 281		X
--Offset: O&M contract reduction	($20,000)	($20,000)	Funds: 273, 277, 279, 280, 281		X
Add 2 Librarians to Branch Libraries	$270,000	$270,000	Library (Fund 210)		X
Add 1 Social Worker to Main Branch		$135,000	Library (Fund 210)		X
Add 1 Library Technician to Main Branch		$112,000	Library (Fund 210)		X
Transfer IT Systems Analyst to IT Dept	($198,180)	($199,830)	Library (Fund 210)		X
--Offset: Part-time budget reduction	($115,000)	($115,000)	Library (Fund 210)		

Non-GF Proposed Total Workforce Requests

Recommended	**Year 1**	**Year 2**	**Funding Source**	**One-Time**	**Ongoing**
Add Housing Specialist II (note: position covered by fees)	$149,000	$151,980	Rent Fund (Fund 207)		X
Add Administrative Management Analyst (note: revenue-generating position)	$178,000	$181,560	Alameda Point / Tidelands		X
TOTAL	**$283,823**	**$535,706**			

Council Questions, Discussion & Direction

City Council Budget Agenda

- May 5, 2025 Budget Workshop
  - Budget Overview, Context, and Approach
    - Council Questions
  - Department Operating Budget Proposals
    - Council Questions, Discussion and Direction

- May 13, 2025 Budget Workshop
  - Department Operating Budget Proposals *(Continued, if needed)*
  - Capital Budget
    - Council Questions, Discussion and Direction