



Budget Engagement Commission

Meeting Minutes

April 6, 2017 – 5:00 pm,
Mayor Ceremonial Room

Commission Chairperson Calls Meeting to Order

Commission Chairperson Mendez called to order the special meeting of the Budget Engagement Commission Meeting at 5:02 pm on April 6, 2017 at the Mayor Ceremonial Room located on the seventh floor of Riverside City Hall.

Pledge of Allegiance to the Flag led by Commission Chairperson Mendez

Commission Secretary Calls Roll – All Commissioners were present during Roll Call.

Public Comment

1. Public Comment

Chairperson Mendez called for public comments. The following speakers made comments:

- Morris Mendoza expressed support for Measure Z spending on reducing debt, increasing reserves and support for the Casa Blanca area.
- William Bailey, Jr. expressed support for Measure Z spending on increasing reserves, public safety, and homeless reduction.
- Scott Andrews expressed concern about CalPERS, statistical information, and IT related needs.
- Rebecca Johnson expressed support for Measure Z spending to support the arts.
- Phyllis Purcell expressed support for Measure Z spending for housing for seniors and the homeless.

Approval of Minutes

2. No Minutes to Approve.

Consent Calendar

3. Approve absence of Commissioners Badger, Mayes, and Tavaglione from the March 30, 2017 Meeting

Commissioner Wright made the motion that the absences be approved, Commissioner Hart seconded the motion. The absences were approved unanimously by the commissioners.

Discussion Calendar

5. Commission and Boards Report (Verbal Discussion)

The Commission Chairperson changed the order of discussion items and called for the City Commissions and Boards to provide reports first. After the reports were completed, Chairperson Mendez indicated that an agenda item needed to be added to the May 4, 2017 to allow the Human Relations Commission, the Human Resource Board, the Mayor's Commission on Aging, and the Metropolitan Museum Board to present requests to the Budget Engagement Commission. Commissioner Mackenroth made the motion that the absences be approved, Commissioner Mayes seconded the motion. The motion was approved unanimously by the commissioners. Chairperson Mendez called for public comments. The following speakers, members of the community made comments:

- Phyllis Purcell opposed use of Measure Z spending for the Historical Society. Supported used of Measure Z spending for homeless issues.
- Christina Duran expressed support for Measure Z spending to support building an Eastside Library.
- Scott Andrews opposed use of Measure Z spending for the Historical Society, General Plan update, and Library.

The following are Commission or Boards that had a representative present to present to the BEC the recommendations presented:

Commission and Representative	Recommendation (Cost – if Provided)
Library Board of Trustees, Michael Yonezawa - President	<ul style="list-style-type: none">- Capital Investment for New Main Library- Permanent Jesus S. Duran Eastside Library- Reinstatement of 1 FTE Library Assistant for Security Needs (\$62,609 FY17, \$66,481 FY18)

Commission and Representative	Recommendation (Cost – if Provided)
<p>Cultural Heritage Board</p> <p>Michelle Gilleece – Board Member</p>	<ul style="list-style-type: none"> - Historic Preservation Fund (\$500,000) - Historical Preservation Ambassadors Program (\$25,000) - Citywide Community Engagement Strategy Development (\$100,000) - Identify Additional Landmark Designees - Fund Comprehensive update to the City's General Plan, Zoning Code, and Specific Plans especially Historical Preservation Aspect (\$4.5 million over three years) - Reconstruction of the Trujillo Adobe and Rehabilitation of the Harada House (\$3.5 Million Harada, \$2-3 million for Trujillo)
<p>Community Police Review Commission</p> <p>Jane Adams – Commission Chairperson /Greg Smith – Commission Vice Chair</p>	<ul style="list-style-type: none"> - Support Measure Funding for Riverside Police Department Requests.
<p>Parks and Recreation Commission</p> <p>Barry Johnson</p>	<ul style="list-style-type: none"> - Office Specialist - for administrative duties, need a permanent position - Deferred Maintenance for Park Facilities - Youth Innovation Center in Arlington- Staffing and Operational Costs
<p>Planning Commission</p> <p>Kerry Parker/ Martin Rossouw</p>	<p><u>Requested by verbal presentation</u></p> <p>Fund Comprehensive update to the City's General Plan, Zoning Code, and Specific Plans(\$4.5 million over three years)</p> <p><u>Requested by Handout</u></p> <ul style="list-style-type: none"> - Support implementation of new GIS tool for planning personnel (\$300,000) - One-time Project to convert Hard copy of planning records into digital format (\$300,000) - Additional Planning Commission Training (\$20,000)
<p>Transportation Board</p> <p>Jose Armas</p>	<ul style="list-style-type: none"> - Repaving projects - For 14 additional miles (\$2,300,000) - Tree Trimming - Additional to reduce 8-9 year cycle to 6 years (\$400,000) - General Plan Land Use and Circulation Elements review and studies

The following questions and comments were presented during the presentation. Answers and responses from Commission/Board Representatives are included if provided during the meeting:

BOARD OF LIBRARY TRUSTEES

- Commissioner Wright – How do the number of branches and materials compare to other cities? Has a location between downtown and Eastside Library's current location been considered? Does the Board determine what will happen to the old library location or is that a City Council issue because the asset is a General Fund Asset? (Michael Yonezawa – President Library Board of Trustees, Tonya Kennon – City Library Director) *A location between downtown and Eastside was considered early in the process but was not selected for the main library location. It is being considered for a new Eastside Library when funding is available. The City Council will determine what will happen to the asset.*
- Commissioner Hart – Will bond funding be considered for funding a library? (Tonya Kennon – City Library Director) *The citizens of the city are currently paying fees related to Measure I. The measure had an 85% approval level when passed in 2002 and renewed in 2011. The preference is to consider bond funding as a last resort.*
- Vice Chairperson Lee – What is the current square footage of the Eastside Library and what is the ideal size for a new Eastside Library? What is the most popular library resource the community is using? Would community members that live in the Eastside go to other locations? (Tonya Kennon – City Library Director) *The current size is 12,000 square feet. 15,000 square feet would be ideal to provide sufficient space for community programs and would be similar to the library size in other wards. For Eastside, access to computers is the most popular resource since many in that community do not have their own resources. Other needs include technology training, core literacy program, and childrens programming. There was a study to identify library use. Some use multiple locations but those from Eastside seemed less mobile and primarily used their own location.*
- Commissioner Plascencia – Have you considered partnering with local university's or using internship programs to fill the Library request for a full-time Library Assistant position? (Tonya Kennon – City Library Director) *The library does partner with UCR and has a robust volunteer program. This position requires a trained employee to handle confidential matters and specialized*

tasks. Most library functions are funded with grants and donations except for personnel and capital project costs.

- Commissioner Fierro – Is there a contingency plan for funding if Measure I does not pass in the future? (Tonya Kennon – City Library Director) Yes, *General Fund spending, program/staffing adjustments, and additional grants.*

CULTURAL HERITAGE BOARD

- Chairperson Mendez– How much will it cost to rehabilitate the Harada House? (Michelle Gilleece – Board Member Cultural Heritage Board) *\$3.5 million to fully restore.*
- Vice Chairperson Lee– It's a signal family residence that has been turned into a duplex? (Michelle Gilleece – Board Member Cultural Heritage Board) Yes.
- Commissioner Wright – It will cost \$3.5 million to rehabilitate a 2500 square foot house? (Michelle Gilleece – Board Member Cultural Heritage Board) *Yes, to rehabilitate it and make it accessible to the public.*
- Commissioner Mathis – You mentioned there are two national historical landmarks in Riverside, the Harada House and what is the other? (Michelle Gilleece – Board Member Cultural Heritage Board) *The Mission Inn.*
- Commissioner Hart – What does making the Harada House publically accessible include? Does that represent the total amount requested? Would like to know the specifics of the cost (Michelle Gilleece – Board Member Cultural Heritage Board) *Make it ADA compliant and rehabilitate. Staff would need to provide the detail of the cost.*
- Vice Chairperson Lee– You mentioned an additional \$500,000 for historical preservation projects. Have you identified the projects to be targeted if you receive additional funding? (Michelle Gilleece – Board Member Cultural Heritage Board) *No, it would be based on requests from the community.*

COMMUNITY POLICE REVIEW COMMISSION

- Chairperson Mendez– What do you believe are the Riverside Police Department monetary needs? (Jane Adams – Commission Chair Jane Adams, Vice Chair Greg Smith) The Community Police Review Commission is not a support body for the Police Department but an oversight body. Recommendations made by the Commission may have a budget impact. The Community Police Review Commission is supportive of funding that will

minimize the use of force by the Police Department. The Commission does not have a specific dollar amounts to recommend.

PARKS AND RECREATION COMMISSION

- Vice Chairperson Lee expressed support for Parks and Recreation.
- Commissioner Hart – Please provide more information about the Arlington Innovation Center. What types of services will be provided there? (Aldofo Cruz – Parks, Recreation, and Community Services Director) *The Arlington Innovation Center is expected to open late 2018, early 2019. It will bring in audio/visual arts and technology training for the city's youth and teens. It is funded by remaining redevelopment funds. There will be collaborations with the local schools as well as partnerships with the City's IT department, and local colleges and universities to operate the facilities.*
- Commissioner Segura – Expressed concern that facilities were being expanded when there is not enough funding for personnel needed for operations. Were the funding issues considered prior to committing to this expansion and has the department considered delaying the project until more funding is available? If Measure Z funding is not approved for the operating cost of the expansion, will there be a vacant building? (Aldofo Cruz – Parks, Recreation, and Community Services Director) *The expansion is funded by Redevelopment funds remaining from 2008-2009. The staffing costs will be about \$300,000 per year and may be reduced by partnerships with community organizations. The balance would be a new request for funding. If no funding is approved, the building will be contracted out. The department is preparing for this option in case Measure Z funding is not approved.*
- Commissioner Wright – The Innovation Center building is already planned? (Aldofo Cruz – Parks, Recreation, and Community Services Director) *The construction drawings have been completed and the permits have been pulled. A contractor has not yet been selected and the project has not gone out for bid.*
- Commissioner Persinger – What type of technology training at the Innovation Center will be different from what will be offered by the Library? Is there training that can be provided by both departments to reduce costs? What are your current budgeted personnel and costs and how much of an increase would you need to fully staff operations? (Aldofo Cruz – Parks, Recreation, and Community Services Director) *There are some opportunities for collaboration for several other departments. It will also be a building that*

can be used to building on the learning students are receiving at school outside of normal school hours. The current operating budget is about \$17.4 million. There are about 120 full-time budgeted employees. Other employees total about 170 full-time equivalents. Would like to increase about \$500,000 for the salaries of 4-5 additional staff (not staff for Innovation Center Staff or management staff).

- Chairperson Mendez – Is the \$500,000 a request for Measure Z funds? What is the one-time funding you want to be funded by Measure Z funds? (Aldofo Cruz – Parks, Recreation, and Community Services Director) *The total reflects a need and is not a specific request for Measure Z funding. The request for Measure Z funding is an ongoing expense of \$400,000 for deferred maintenance and unexpected repairs.*
- Commissioner Montgomery – How many other youth centers are there for teens? How long has the department been planning for the Arlington Innovation Center and what was the backup plan if Measure Z did not pass? (Aldofo Cruz – Parks, Recreation, and Community Services Director) *One - Bobby Bonds Park. The Arlington Innovation Center project has been evolving since 2008, 2009. About two years ago, the Innovation Center recommendation was presented. If Measure Z did not pass, contracted classes would be scheduled.*
- Commissioner Segura – Mentioned trees were the responsibility of Parks? The amount requested for tree maintenance is in addition to the request from Public Works? (Aldofo Cruz – Parks, Recreation, and Community Services Director) *Yes, Public Works is responsible for trees on the streets and medians. Parks and Recreation is responsible for 30,000 trees in parks. The request for tree maintenance is in addition to the request presented by Public Works.*
- Commissioner Hart – What reductions have been made so far to handle budget shortfalls? (Aldofo Cruz – Parks, Recreation, and Community Services Director) *Reduced magazine brochure costs by \$15,000, eliminated fireworks show from budget. The fireworks show still return this year through funding by sponsors. The Fishing Derby program was eliminated. The Arlington pool operations costs were eliminated from budget and funded by sponsors. Revised watering system to be weather based for a \$367,000 savings per year. Need to invest in technology to upgrade more parks to the weather based system.*

PLANNING COMMISSION

- Chairperson Mendez – What is the impact if the Planning Commission does not update the plan? This will not just benefit large developer but regular citizens? (Kerry Parker – Planning Commission Chairperson) *Can more effectively regulate city development. This benefits all members of the community.*
- Commissioner Wright – Isn't there a regulation that the city has to complete a general plan update? (Ted White – City Planner) *There is State regulation that requires the update but has some flexibility in the timing of the update. When the general plan was adopted in 2007, it was heavily dependent on redevelopment funding. It has not been updated to reflect the dissolution of the redevelopment in 2011. Updating the plan sets the expectations for the public and the developers so that they can understand the community's priorities.*
- Commissioner Fierro – What is the cost of inconsistencies between the zoning code and the General Plan whether the cost be for projects that are discontinued, the cost of hearings on inconsistencies, or development that goes to other cities? (Ted White – City Planner) *There is no study that estimates the cost of the inconsistencies.*
- Commissioner Arballo – What would the \$4.5 million additional spending fund? (Ted White – City Planner) *It will be used for consultant costs and community outreach. Originally had collected funding for updating the plan through another revenue source. With the downturn of the economy, had to use the funding for personnel costs.*
- Commissioner Persinger – What was the plan if Measure Z was not approved by voters? How long would it take to fund the update by other means? (Ted White – City Planner) *10 years for the upgrade to be completed by other means.*

TRANSPORTATION BOARD

- Vice Chairperson Lee– Is the tree trimming function outsourced? Is there a savings in outsourcing instead of completing the work in-house and if yes, how much is saved? (Mark Steuer – Deputy Director Public Works) *Yes. The total savings in not available today for this meeting. Commissioner Wright mentioned that during his time employed with the city 20 years ago, Public Utilities identified a significant savings (25-30%) in outsourcing the function.*

- Chairperson Hart – *Why is the tree trimming cycle being reduced from 8-9 years to 6 years (Mark Steuer – Deputy Director Public Works) Compared to other jurisdictions, six years seems to be the most efficient way to maintain trees.*

4. Measure Z in-depth discussion on staff recommendations regarding Operating Needs and FY 2016/17 Second Quarter Financial Report.

Adam Raymond, City Assistant Chief Financial Officer, gave a presentation about the Measure Z proposed spending for the City's operating needs and the FY 2016/17 Second Quarter Financial Report. BEC information Requests from the March 30th meeting were also presented. City staff from various departments were present to answer questions. The following speakers, members of the community, made public comments:

- Phyllis Purcell expressed support for requiring internet businesses to pay sales tax.
- William Bailey Jr expressed support for Measure Z spending to support Mercy House funding.
- Scott Andrews opposed use of Measure Z spending to replenish contingency funds. Expressed concern regarding projection figures and sick leave. Expressed support for a two-year budget plan with one-year roll-over.

The following questions and comments were presented during the presentation. Answers and responses from Staff are included if provided during the meeting:

OPERATIONAL NEEDS

- Commissioner Mackenroth – *How many positions will \$500,000 in additional funding allow? (Adam Raymond, City Assistant Chief Financial Officer) Two Full-Time equivalents. Contingency used for other costs that were not personnel like the Police Rewards Program.*

FY 2016/17 Second Quarter Financial Report

- Chairperson Mendez – *What is the Revenue Shortfall specifically? (Adam Raymond, City Assistant Chief Financial Officer) Utilities User Tax (UTT) is decreasing and Sales Tax is not increasing as quickly as expected.*

- Commissioner Wright – How are staffing cost more than expected? Will information about any projection adjustments that impact Measure Z projections be presented and should the expected revenue available for Measure Z spending be lowered? *(Adam Raymond, City Assistant Chief Financial Officer and Scott Miller, City Chief Financial Officer) Negotiated increases for employees were higher than projected increases developed when budget was approved. Some leave balances had to be paid with separation of employment. The Measure Z projected levels were conservative but the Commission can adjust its recommendation for Measure Z spending levels.*

6. BEC Discussion on Prioritization Method (Verbal Discussion)

The Commission discussed the plan for prioritizing funding needs. There were two motions seconded and approved regarding this item.

Chairperson Mendez made the motion that there by a meeting on April 19, 2017 at 4:00pm, Commissioner Hart seconded the motion. The motion was approved 17 Commissioners, Commissioner Scarano abstained from the vote.

Chairperson Persinger made the motion that the Commissioners categorize all items into A, B, C, and D – with 15 items per category and return to the meeting on April 19, 2017 with rankings. Commissioner Mayes seconded the motion. The motion was approved unanimously by the commissioners.

Phyllis Purcell and Scott Andrews, members of the community, made comments regarding prioritization of Measure Z spending.

Announcements, Meeting Dates, and Commission Requests

7. Commission Requests - None
8. Announcements - None
9. Schedule of Meeting Dates - Chairperson Mendez announced the updated schedule of meeting dates

Adjournment

Chairperson Mendez adjourned the meeting at 8:42 pm and announced the next special and regular meeting dates.

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read 'K. Johnson', with a long horizontal flourish extending to the right.

Karen Johnson

Principal Management Analyst – City of Riverside