

City Manager's Weekly Report
For the week ending October 10th, 2008

1. Meeting Notes

The next regular City Council meeting is scheduled for Tuesday, October 21st.

As a reminder, the City Council will have a regular business meeting on Tuesday, October 28th, rather than reserving that 4th Tuesday meeting for Study Sessions only, as is the custom. The meeting that would normally be held on the first Tuesday in November (November 4th [Election Day]) is cancelled.

2. City Offices Closed on Monday, October 13th

As a reminder, the City offices will be closed on Monday, October 13th in observance of Indigenous People's Day (Columbus Day).

3. Continuing State Budget Saga

The League of California Cities is confirming what you have undoubtedly read in the newspapers recently. While the state FY 2008-09 budget was signed only three weeks ago, it is now being reported that this new state budget is, in reality and for a variety of reasons, approximately \$5 billion short of being "balanced." If this infant budget is already \$5 billion short, it is likely that when the Legislature begins to tackle the FY 2009-2010 budget, the state may be facing another \$15 to \$18 billion deficit.

Among the most immediate challenges are:

- California is trying to sell a Revenue Anticipation Note (RAN) in the teetering financial markets to ensure that the state has the cash to meet its obligations until tax revenues start to come in later in the fiscal year. The state routinely does this annually but it may be considerably more difficult this year in a financial market that is having its own problems. If California can be successful in the market, this may provide at least some short-term stability for the state budget. Most importantly for cities, California's ability to secure the sale of its RAN, means the state will be able to deliver the money to the programs outlined in its budget, including money that goes to local governments.
- The Governor and legislative leadership met this week to talk about a special session to open up the FY 2008-09 budget to make adjustments that will reduce the problem before the next fiscal year. No decision was made in regard to a special session, but there remains the ominous specter, and apparently actual legislative murmurings, of an "emergency" raid on city funds.

The saga is not over yet, and I will continue to keep you informed.

4. Funding Plan for Marina Way Grade Separation Project

As previously reported to you, in August, the California Transportation Commission (CTC) approved a grant application for \$5 million in funding assistance in support of a \$37.5 million grade separation project on the Marina Bay Parkway. More recently, staff has been pursuing an additional funding opportunity involving State Proposition 1B money which may yield as much as \$15 million. This \$15 million in funding requires a 50% non-state match, and approval from the Metropolitan Transportation Commission (MTC). All of this funding is contingent on the development of a full funding plan being in place before the end of November.

As it stands now, these \$20 million dollars in state grant funds, combined with other committed local sources, leaves the City approximately \$11 million dollars short in its current funding plan. As a result, City and Redevelopment Agency have been meeting with the staff members of the Water Emergency Transportation Authority, the West Contra Costa Transportation Advisory Committee (WCCTAC), the Contra Costa Transportation Authority (CCTA), and MTC to shore up this funding gap. Today, Redevelopment Agency staff members Alan Wolken and Chad Smalley, and I met with WCCTAC, CCTA, and WETA staff to brainstorm how to use CCTA Measure J funds to close this gap. We expect to be coming to the City Council on October 28th with what we believe will be a workable financial approach for funding the Marina Bay Parkway grade separation project, although a number of details are yet to be worked out.

5. City Opens Escrow Account for Pt. Molate Cleanup Funds

Several weeks ago, the United States Navy deposited \$28.5 million in an escrow account (prior to the start of its October 1 fiscal year) for the City of Richmond to use for the Pt. Molate cleanup. The City can access this money as soon as the remaining parcels are transferred to the City, which staff estimates should be in early 2009. The interest that accrues on the money in escrow before the property transfer takes place is returned to the Navy. Currently, staff is working on obtaining insurance for the project, with AIG as a contender. Supposedly, with the recent federal rescue of AIG, it will be more capable than ever of insuring this project.

6. Distressed Property Information

There is a great deal of erroneous information being bantered about regarding foreclosures and distressed properties in Richmond. Because of this, we thought that it would be important to provide you with some key “distressed property” data gathered from sources that are deemed to be reliable, although data from sources may vary somewhat.

Staff examined the City’s hardest hit zip code, 94801, and the City as a whole. According to MetroScan, Richmond’s zip code 94801 represents 26% (7,956) of all parcels (31,000) and 18% (4,221) of all Single Family Dwellings (SFD’s) (23,395) in Richmond. 36% of the distressed properties are in zip code 94801.

**Distressed Properties
Richmond, California**

Problem SFD Properties	Zip Code 94801 (4,221 SFD properties)		City-wide (23,395 SFD properties)	
	Number of SFD's	Percent of SFD's	Number of SFD's	Percent of SFD's
Pre-Foreclosures	397	9.4%	1,010	4.3%
Auction	119	2.8%	317	1.4%
Bank Owned	567	13.4%	1,640	7.0%
Sheriff Sales	25	0.6%	100	0.4%
Total Distressed SFD Properties	1,108	26.3%	3,067	13.1%
% of all Properties		13.9%		9.9%

Data were gathered from RealtyTrac.com, Foreclosure.com and MetroScan and compiled by City of Richmond staff.

7. City receives Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association of the United States and Canada (GFOA), a nonprofit professional association serving approximately 17,000 government finance professionals, has awarded its Certificate of Achievement for Excellence in Financial Reporting to the City of Richmond. This award is for the City's Comprehensive Annual Financial Report for the year ended June 30, 2007 (CAFR), and is the highest form of recognition in the area of governmental accounting and financial reporting. Its attainment represents a significant accomplishment by a government and its management. The CAFR is judged by an impartial panel to meet the high standards of the program including demonstrating a constructive "spirit of full disclosure" to clearly communicate its financial story and motivate potential users and user groups to read the CAFR.

Congratulations to the Finance Department, with special thanks to Tina McKenney, Chief Accountant, and the General Accounting Division, for their leadership in this first time City of Richmond achievement.

Somehow, with all of the terrible financial news at all levels of government and in the private sector, it seems particularly gratifying to include this particular item in my weekly report to you.

8. Community & Economic Development Washington, DC Trip

Because of the many current and prospective projects that involve federal funding, Community and Economic Development staff members Steve Duran, Tim Jones, Sal Vaca and Patrick Lynch scheduled and attended a number of meetings in Washington, DC during the week of September 22nd that were facilitated by Dick Kochan. These Richmond staff members had meetings with representatives from

the Department of Housing and Urban Development (HUD), the Department of Labor, and from the offices of Congressman Miller and Senators Feinstein and Boxer. Items discussed included HUD Community Development Block Grant (CDBG) and HOME programs, HOPE VI, Section 8 Vouchers, the new HUD Neighborhood Stabilization Program, and Department of Labor funding sources for vocational training for programs such as RichmondBUILD. Also discussed with Miller, Feinstein and Boxer's staff members was funding for infrastructure improvements and Richmond BUILD.

9. HUD Neighborhood Stabilization Program Allocation

The City of Richmond has been allocated \$3,346,105 under HUD's Block Grant – Neighborhood Stabilization program. Staff will be presenting a HUD-required plan for the use of these funds to the City Council in November for submission to HUD, which has requested a very quick turn-around.

10. Honda Port of Entry – Port of Richmond

As you may have heard, on Wednesday, October 8th, the Design Review Board voted to certify the Environmental Impact Report (EIR), pass the statement of overriding considerations, and approve design elements of the Honda Port of Entry at the Point Potrero Marine Terminal operated by Auto Warehousing.

During the prior week, the Historic Preservation Advisory Committee reviewed elements of the Auto Warehousing/Port proposal, making minor recommendations that were included in the documents that were part of the Design Review Board review.

11. Kohl's Department Store

The draft Mitigated Negative Declaration (MND) for the proposal to locate a Kohl's Department store in the Central Avenue area of the City of Richmond has been released, and is available on the City's WEB site at www.ci.richmond.ca.us/kohls.

12. Expanded Uses for Fire Department Training Center

In addition to the many "cosmetic improvements" that have recently been completed, uses for the Fire Department Training Center at Cutting and 37th continue to be expanded. Most recently, a new computer lab has been configured and is now functioning at this site. With the implementation of the new MUNIS system (the replacement for the SAP enterprise system) only weeks away from being complete, there was a need for an additional computer lab to train City employees. Thus, all City departments will benefit from increasing the training capacity beyond the Information Technology (IT) training room at City Hall. We expect that use of the Fire Training facility will provide a continuing benefit to all City departments as well as to the Fire Department.

13. YouthWorks Staff Training

The City of Richmond Youth **WORKS**, and the Richmond Community Wellness Collaborative (RCWC) are sponsoring the first in a series of skill building workshops for frontline staff working with the youth of the Richmond community. *“There’s Nothing Wrong With Me!”; Encouraging Youth to Accept Mental Health Services* will be held on Friday, November 7th at the Employment & Training Building. The workshop will be a dialogue based endeavor designed to share resources, experiences and effective tools among the workshop participants. Invited are mental health professionals and frontline youth workers, be they case managers, mentors, recreation or coaching staff. These workers all come in contact with youth that could benefit from counseling or therapy, but, when they recommend it to the youth the most common response is..... “I’m okay, there’s nothing wrong with me!” The guest speaker and discussion facilitator will be Ms. Toby Eastman, of Larkin Street Youth Services. She will provide an overview of tips and techniques that she has found useful in her work and facilitate the discussion among the attendees.

14. Office of Neighborhood Safety (ONS) Update

Office of Neighborhood Safety (ONS) staff participated in the Safe Communities Reentry Summit – “Reentry Works” in San Francisco and the Alameda County Reentry Network’s Decision Makers Committee meeting in Oakland. Both efforts are designed to (a) create better coordination and accessibility of social services and policy advocacy to combat prisoner reentry, (b) strengthen and expand employment opportunities for formerly incarcerated peoples, and (c) improve public safety.

The City of Richmond receives more than 600 formerly incarcerated members of the community back into its neighborhoods every year from the state prison system, and more than 100 youth from the state and county juvenile justice systems. ONS is beginning to work to strengthen it’s and the City’s capacity to better understand the needs of formerly incarcerated individuals in an effort to provide leadership in creating a City-wide system of service delivery that is relevant to those returning home, and also produces greater public safety outcomes.

ONS Street Outreach staff also recently participated in an intensive case management training to develop and enhance their capacity to provide effective case mentoring for their clients and follow-up with partner service providers. The training provided to ONS outreach staff covered important topic areas including, Professional and Para-professional standards of conduct, reducing stress in the client/caseworker relationship, appropriate documentation and case notation, and elements of positive youth development.

15. **Public Works Department Update**

Among the Public Works projects that you may have noticed recently include:

- Resurfacing of Park Place, Washington Ave., and Washington Street in Pt. Richmond;
- Resurfacing of 32nd Street between Barrett and Roosevelt Avenue;
- Preparation of the Hilltop Lake Road reconstruction to be resurfaced next week;
- Power washing and preparing the Richmond Museum for a significant face lift in anticipation of the Nevin Park grand opening.

This past week, the Public Works Parks Division started two major park rehabilitation projects at the Booker T. Anderson and Crescent Parks, including dead trees removal, creek cleaning, baseball and soccer field improvements, and general cleaning and re-vegetation of the park. This project is expected to last several weeks.

16. **Recreation Department Update**

Activities of note in the Richmond Recreation Department include:

- There is a current enrollment of approximately 150 students in the Youth Activities after-school programs held at Stege, Peres, King and Lincoln elementary schools;
- Double-Dutch classes are held every Wednesday at the Recreation Complex. Currently, fifteen elementary school-age girls are participating.
- A Twilight Basketball League has commenced at the Recreation Complex. Over 120 high school students currently participate. The girl's league plays at 6:00 PM every Tuesday, and the boy's league plays at 6:00 PM every Thursday.
- The Recreation Department currently conducts a First Tee Golf program in Nichol Park where 20 elementary students participate each Monday from 3:00 PM to 4:30 PM.
- The Yuan Ji class held a karaoke party at the Richmond Senior Center on Friday, September 26th, with over 45 community members in attendance.
- The staff of the Disabled Persons Recreation Center ended its final week of its summer program by taking a group to the San Pablo Reservoir for boat fishing and a BBQ picnic.