

<h1>REPORT</h1> <p style="text-align: right;">To the Honorable Mayor and City Council From the City Manager</p>
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June 20, 2005

Subject

Results from Community Input Meetings on the 2005/2006 Recommended Budget

Recommendation

The material is provided for your information only. No action is requested.

Background

At your April 14, 2004 meeting, in keeping with our City's core purpose of, "Building a Great Community Together", we proposed that two meetings be held to receive input on the 2004/05 budget situation. Our goals for the process were to educate the public about our financial situation; get direct reactions from residents on our recommendations; and potentially receive some alternative ideas for Council consideration.

Two very successful sessions were held, where a total of 51 community members attended and provided input. Our experiment with involving community on budget issues produced some interesting results and numerous opportunities for learning.

In February 2005, at the Council's Priority setting session, Council added "Community Building" as one of our overarching guidelines. We are more committed than ever to work with the community and continue our quest of community building, and so in preparation of the 2005/2006 budget, we once again invited community members to attend one of two community input meetings on the proposed budget and reductions.

Invitations to the first session went to former participants in Partnership Academy for Community Teamwork (PACT) and the Community Builders Program because we felt that their experience in those programs would bring a unique perspective to our budget issues. In addition to sending direct invitations to PACT and Community Builders, notices were also sent to all e-news participants and a press release was issued to the media inviting participation. A total of 42 participants attended the first session, a wonderful increase from last year's numbers. The second session occurred during Finance's PACT night, where another 37 interested community members attended.

Each session began with a presentation by the City Manager and Finance Director followed by time for questions on the current financial situation and proposed budget reductions. We then moved into conversation groups and received report outs from each table on the most important things they felt Council should consider or ask questions about in reviewing the budget. This was followed by a presentation and discussion on the recommended new revenues, and other potential sources of new revenue. Responses to recommended reductions and new revenue concepts are included as Attachments 1 and 2 to this report. No attempt has been made to categorize, group or otherwise manipulate the input, as we felt it would be most useful to Council in its raw form.

As we are a learning organization, it should be noted that we learned a great deal from the first session to the second. At the first session, we also asked the group to review and comment on Council's priorities. It was simply too much to cover in one evening. Therefore, in the future, staff will host a similar community input meeting in mid January dealing exclusively with Council's priorities. This meeting will occur several week's before the Council's Budget Strategy Session, which will likely occur in mid February.

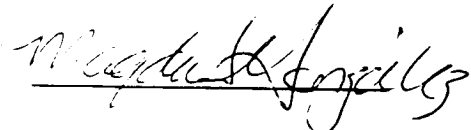
We have also decided not to use Finance's PACT night to gather input on the proposed budget in the future. Although, using the PACT session is a good way to capture 35 or so interested community members, we feel the group was not able to get a real flavor for the Finance department as they would have under the traditional PACT model.

Conclusion

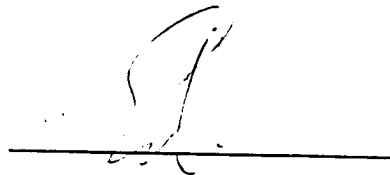
Seventy nine people accepted our invitation and have a better understanding of how the City budget works and the impacts of the proposed service/expenditure reductions. We are pleased that we were able to get input from a larger group of community members this year as compared to last year. Of the 64 programs evaluations received, 28 rated the session as excellent, 29 good and 7 fair. A compilation of their reactions to the sessions is included as Attachment 3 and 4. Once again through this process, we have seen first hand that community members care very deeply about what happens in our City, are willing to take the time to provide input, and are willing to get involved in potential solutions.

Fiscal Impact

None



Magda González
Assistant City Manager



Ed Everett
City Manager

Attachments

1. Community Input Notes from April 19, 2005 meeting
2. Community Input Notes from May 5, 2005 Finance PACT meeting
3. Evaluation Summary from April 19th Meeting
4. Evaluation Summary from May 5th PACT Meeting

2005 Community Budget Input Meeting April 19, 2005

42 community members attended

Reactions to Recommended Reductions

- Difficult to evaluate information so quickly and react/respond (process comment)
- Provide data in spreadsheet format too (process comment)
- When considering budget reductions, the City should look at what is reasonable in terms of deterring the problem
- Problem with pensions, too high in Police Department
- (2 people) Get more revenues from Port
- Exchange space for services ~ give building space to private or non-profits free of charge, if they provide needed services to the City
- More enforcement of parking and traffic violations
- Not a lot of money in budget to communicate with citizens
- (2 people) This meeting should happen before Council priority setting meeting (process comment)
- Can we look at more efficient way to get paramedics out instead of using large truck company
- Self checks outs at library should be expanded to branches
- More involvement from private sector (business and individuals) as source of revenue i.e. benches, parks and recreation foundation
- Increase parking meter fees
- (2 people) City should look at 40% of office vacancies in Redwood City, and convert that space into lofts, condos for nonprofits
- Safety is a concern ~ consider non traditional approaches i.e. utilizing non-profits and neighborhood groups
- (2 people) Look at combining departments or functions with other cities
- Could the City get along with 90 instead of 100 police officers
- Increase revenue – Downtown Redevelopment
- No more decrease in Police
- Look at increasing Building fees
- Considerable percentage of police personnel is on disability ~ City should increase training and try to reduce cost
- Consider annexation of Emerald Hills or other unincorporated areas
- Cross train Fire and Police as in Sunnyvale
- Automation in general
- Park and Recreation private foundation to help support the City

Reactions to Possible New Revenues

- *By show of hands, all but four individuals at the meeting were okay with raising developer fees.*
- Not in favor of passing fees on to homeowners – may push some folks out
- Can City attract businesses with our fees because our fees are lower than other cities
- Don't discourage business by increasing fees/tax too much
- Committee should look at other revenue possibilities, addition to the ones presented
- Consider increasing business license fee ~ work with Chamber of Commerce
- City could get paid to train Chinese interns
- Plan check fee will not impact housing costs ~ high cost of housing is not related to fees

Finance PACT and Budget Input May 5, 2005

37 community members attended

Reactions to Recommended Reductions

- (3 people) Contact 62% of voters that voted yes for Measure V and have them donate \$85
- (2 people) Donate to City; some homeowners don't pay much based on Prop 13 rules
- Would not want to cut more in Human Resources
- Increases in building permits
- Sponsorship for some events i.e. concerts
- Cultural events/festivals to generate sales tax and so City can generate money from the events
- Partnership with Orchard Supply Hardware and Home Depot for Mayor's Awards and other partnerships
- Can City look into locking in prices for future energy costs
 - Save on utility bills and be "greener" (City facilities)
 - City/individual generate electricity and put it back into the energy grid
- Consider replacing vacancies with casual or temporary labor
- Mail in ballots are cheaper
- (2 people) Moratorium on travel, conferences and trade shows ~ require manager approval
- (2 people) Look into using California Association of Cities (a professional organization) to promote idea that contributions to cities are tax deductible
- No further cuts
- Lower taxes, fees for two years and support new businesses
- Improve operational efficiencies ~ For example, review the building permit process, and perhaps a non-profit would be willing do the review
- Don't waste help from attorney – avoid horrendous litigation fees
- Redwood City should use work furlough or court ordered community service folks to do City projects
- Convert some library staff to volunteers
- Citywide focus group and suggestion box
- Make concerted effort to enlist more volunteers to maintain medians and infrastructures, ask for donation of plants

Reactions to Possible New Revenues

- Fee for tree trimming permit i.e. \$10

Community Budget Review Session Evaluation

Date: 04/19/2005

Attachment 3

1. What did you find of most value in this session, and why?

- * Overall information provided by the staff. 9
- ~ Gaining awareness of all the facets of what needs to be considered in a City budget.
- ~ All the information received by staff was very well presented.
- * Finding out how the different departments are funded through the general fund. 7
 - ~ Review of budget distribution and definition of revenues.
 - ~ Explanation of the budgets for each department.
 - ~ I learned how the budget is split among City services and departments.
 - ~ Overall learning and sense of a big picture on budget mechanics, revenues, and expenditures.
- * Brian Ponty's presentation was very good. 4
- * Simply the fact that this budget session happened is of most value. 2
- * Good ideas of revenues and costs. 1
- * How the money from property tax is attributed amongst City departments. 1
- * The City Manager's candor and attitude - gives me confidence that the City actually listens to citizens. 1
- * The succinct way the information was presented. 1
- * In difficult times, Redwood City is in relatively good shape to do a prudent reserve policy. 1
- * Learning the priorities of the City Council. 1

- * It's nice to be asked even if its too late for this year. 1
- * Good paper work! 1
- * Diversity of comments and general agreement of the issues. 1
- * Ideas from group about how to increase revenues. 1
- * Learning what was being done to make the budget and being able to state ideas or suggestions. 1

2. What did you find of least value in this session, and why?

- * Did not get enough information on the budget ahead of time. 6
 - ~ Save time by sending budget cut summaries ahead of time and only answer questions in the sessions.
 - ~ Need information in advance for a comprehensive budget information session.
- * Ranking the Council priorities right away without any clear definitions, meanings, etc. 5
 - ~ Overarching guidelines are too vague.
 - ~ The priorities were good to do, but way too hectic and difficult without guidelines.
 - ~ Overarching guidelines should be set at a separate time - we need more focus on the priorities.
- * It's too late to make a difference. 4
 - ~ All this was already decided before the meeting.
 - ~ Unclear about how our input will influence the budget.
- * Format of information was bad. Use spreadsheets for financial information or use both formats for those that don't like numbers. 2
 - ~ Format of presentation made it difficult to provide meaningful feedback.

6A-VI-7

6A. VI-8

- * Too many questions. 2
- * The discussion at the table was not cohesive and clear. 1
- * Too small of a snapshot for meaningful input - a informational session should have been held before the budget session. 1
- * Budget explanations could maybe be a little more streamlined. 1
- * Negativity constantly expressed toward our State! 1

3. How can this process be improved?

- * This budget session should be earlier in the budget cycle. 8
 - ~ Earlier involvement sooner in the year.
 - ~ Have it earlier in the year with written information in advance so members can be more informed.
- * The timing could be improved. 5
 - ~ Maybe two sessions to handle all the data presented.
 - ~ Break into two sessions (maybe add another three hour session).
 - ~ Difficult to cover so much in three hours.
- * This session should be done before the council priorities are set. 4
 - ~ Do it closer in time to the City Council's priority session - the Council should set priorities after citizens have met.
 - ~ I would like to give input before the Council sets the priorities.
- * More information before the meeting. 3
 - ~ Distribute information ahead of time so people come prepared and time this to precede City Council's priority session.

- * Smaller groups each focusing on one aspect.
~ Smaller groups with tighter guidelines for discussion. 3
- * Better explanation on budget process. Educate them or have them better prepared. 1
- * Don't permit discussions on personal agendas - keep participant questions short and to the point. 1
- * It takes time and a lot of City staff assistance to really understand the potential effects of cuts or increases - good luck. 1
- * Better advertising to the general public. Use all media to get greater participation. 1

4. Here's how I rate the logistical aspects of the workshop:

Length:	Too short	5	Just right	28	Too long	1
Location:	Excellent	21	Good	13	Fair	Poor
Handouts	Too many	2	Just right	28	Too few	2

5. What was missing from this week's session?

- * City Council members to listen, not to talk.
- * Better overview and an easier method.
- * More time
- * Advance information to be better prepared for the meeting.
- * It would have been nice to know our input would impact a more recent budget cycle.
- * Added question - taking future answers for those personal questions.
- * Council involvement.
- * Definitions of goals, priorities, and formally discuss the Council priorities.
- * Lack of advertisement to the public.

6A-VI-9

6. My overall rating of this session is:

Excellent	8
Good	23
Fair	4
Poor	

Additional comments:

- * It's really nice that people have so many questions but ask them to wait until the end or write them down.
- * I think some people understand that this would be input that would be used in making budget decisions - not learning what decisions have already been made.
- * Spreadsheet on how the money is allocated. The library is an excellent venue, more money should be budgeted to the library.
- * Is the \$62,000 optional reduction in Public Works related to a pavement management program with a potential to cost us many times more in the future?
- * The staff did a great job-maintained sense of humor and effectively managed the meeting. Nice to see upbeat City officials.
- * Hold this meeting before the priorities and recommendations are finalized.
- * Timing of the meeting is frustrating - budget decisions have already been made.
- * Use more email or stuffers in water bills to communicate cheaply with citizens.
- * Thank you for your efforts, your outreach and willingness to make mistakes and learn from them.
- * We were given too little detail too late to be able to come prepared with substantive, creative solutions. Some good stuff was generated anyway, which reflects the high quality of the people involved. Next time, how about posting or e-mailing full spreadsheets that give the big picture on how the bucks flow?
- * It was disappointing to see that our priorities aren't going to be considered before Council sets its own out.

Ed mentioned that he saw this meeting being split into two sessions for some value to be realized in that department. Good plan.

* What I saw happening tonight was an excellent model for how Council can be more in touch with the community they are representing. These people really care about their City and are remarkably well informed and capable (as well as deserving) of giving constructive input to Council. Imagine if a process like this were to take place before a big decision like the Marina Shores project were adopted? Envision avoiding costly, divisive referenda. What a concept!

* Where does the tax money from Sequoia Hospital go?

* How much of RWC business is outsourced (i.e. water bill, parking fines, consultants etc..)?

* Automation across department - document sharing.

* How does RWC sales tax compare with other cities in San Mateo County?

* Congrats to the staff's hard work!

* Notify us sooner!

* Good job - Keep listening and asking us for more information!

* Food not necessary!

PACT Session Evaluation

Week # 5

Presenting Departments: Finance

Date: 05/05/2005

Attachment 4

1. What did you find of most value in this session, and why?

* Knowing how the City's budget is allocated, where it comes from and how it greatly affects the community. 18

~ I really got a much better overall understanding of where the money goes. We just got to make more efforts to attract revenue.

~ A very interesting and lively budget presentation with lots of valuable information.

~ To see where our taxes are spent and all the work it involves to prepare a budget.

~ The tables contributing expenditure decreases and revenue increases.

~ How little of my property tax actually goes to the City.

~ Learning budget details limits and possibilities.

~ Good explanations of the City budget - great staff, lots of new information.

~ Learning how the reserves will get us through the next 2-3 years; doing exactly what it's there to do.

~ Real money information and clear answers to proposed questions.

* Brainstorming ideas for bringing in revenues for the City. 3

~ Brainstorming session for budget cuts and new revenue sources.

* The Q&A, collection of ideas and getting answers. 2

* Brian's presentation was excellent! 3

* The level of dedication the staff seems to have to do their best with less. 2

* Information on the handouts and learning Redwood City priorities. 1

* Ed did a great job of cutting off questions that were too specific. 1

2. What did you find of least value in this session, and why?

* Everything was great! 5

* People asking irrelevant questions. Questions that were answered that didn't relate to the community as a whole, but only to the individual was of least value to me. 2

* Everyone should be asked to hold their questions until the end of the presentation since so many questions are answered on the next slide or soon into the presentation. 1

* The Q&A period during Brian's portion. He should have been able to go from start to finish without so many interruptions and would've moved his portion quicker. 1

* Some suggestions were rather redundant or irrelevant at my table. 1

* Air conditioning. 1

* No revenue enhancement! Tier cost control. 1

* The food -yuck! 1

3. How can this session be improved?

* Listen more to citizen ideas and suggest how the next steps can be taken. 1

* Being in a position to talk about our excess money. 1

* My only improvement would be to make this a longer session to allow for more discussion/questions. 1

6A-VI-1A

* In response to Iris, maybe instead of saying that she should call State Officials you could provide us with a list of citizen community action groups that can petition to State Legislatives as a solid block. It's not the individual that counts, but the collective.

1

* Visuals of the past five years to demonstrate the accumulated cuts - total reductions.

1

* Who is the grant writer for this department?

1

* Giving attendees a list of all the ideas that were written down.

1

* Record ideas for City Council.

1

* Q & A should be placed after the presentations and not interrupting the presenter.

1

* More hands-on, not just listening.

1

* Have audiences better prepared.

1

* More water available.

1

4. Here's how I rate the logistical aspects of the session:

Length:	Too short	2	Just right	22	Too long	3
Location:	Excellent	18	Good	7	Fair	
Handouts	Too many	3	Just right	21	Too few	1

5. What was missing from this week's session?

* Malcolm - I missed him!

4

* Fun activities.

2

* Not enough numbers. More detail in terms of department. Is balancing the budget the only goal? Profit will give more reserves for future depression. More innovative revenue ideas like the HR & IT department.

2

* Guns and dogs....just kidding.

1

- * Comfortable chairs. 1
- * It's not a session that a person "off the street" would be excited about. 1
- * How does the budget get approved (the votes required) how is the budget executed - one assures there's a tax collection unit controller, treasurer? 1

6. My overall rating of this session is:

Excellent	20
Good	6
Fair	3
Poor	

Additional comments:

- * Just send us a list of citizen groups that can march on to Sacramento. If you can reference the workflow of how the budget actually falls out that'd be great.
- * Someone commented to me that they had a much better understanding of where there money goes and why.
- * Very cool numbers, very nice to see how involved our council is - nice to know they care.
- * I personally would like to know percentage of property owners who are still on Prop. 13 - it's just not right. What happened to the review of the 14 BCC's?
- * The budget cuts on the slides only totaled to \$617K, but the cuts needed was \$829K what will make up the difference?
- * Aesthetics - seeds planted by neighborhood business volunteers will brighten up areas of the City.
- * I liked the idea of discussing the budget and giving information about the department as a handout - this made for a more productive session. Many thanks to the entire department for spending their energy with us. Thank you!
- * All were very good speakers and staff seems to be of great value - good workers in his department.

- * Caltrain - does RWC fund this transit? If so, I'm very unhappy with their management.
- * Thank you for all of the data and explanations.
- * I'm concerned that the council priorities don't relate to the overarching guidelines. The two high priorities are not community building - they don't help quality of life etc.. The guidelines can be much more effectively handled by neighborhoods. Downtown is only one community there are so many others.
- * I enjoy the session and proud of the fact that we have such wonderful City employees. Please have a recycling bin for the empty plastic bottles/soda cans etc at all the dinner sites.
- * Cut the police budget more - too much police time is taken-up with writing speeding tickets.
- * Since our country has already generated a lot of debt, is it a better idea to spend less and at the same time add more revenue. People could shift spending habits, it will reach to a point people just cannot afford to spend anymore.
- * It wasn't too much fun, but toward the end it got better - it was just so long.
- * Informational and educational, but not too exciting.
- * This session is one that would be of interest to only a "handful". These PACT sessions should be something that as an entire community would love to sit in and not one that they can't wait to get out of.
- * Solar energy programs will pay off! What about investing in construction of homes for City employees. Could this strategy reduce payroll expenditures?