




COUNTY ADMINISTRATOR'S OFFICE

Susan S. Muranishi, County Administrator

MEMORANDUM

June 24, 2016

TO: Each Member, Board of Supervisors

FROM:  Susan S. Muranishi, County Administrator

SUBJECT: **FY 2016-2017 Budget Deliberations: June 24, 2016 at 1:30 p.m.**

Today your Board will deliberate over the FY 2016-17 Proposed Budget, which was first presented on June 9, 2016, with public hearings on June 22 and 23, 2016.

The Proposed Budget is balanced and closes a \$72.2 million funding gap. The budget before you provides \$2.8 billion in spending for all funds and supports a workforce of over 9,600 employees. The General Fund budget that supports most County operations is recommended at \$2.5 billion and includes over \$500 million for services provided by over 243 contractors, mostly community-based providers.

Before the close of budget hearings yesterday, your Board received and approved a letter from the County Administrator recommending final budget adjustments for inclusion, with your Board's direction, in the Final Budget for FY 2016-17.

Your Board also received yesterday the Five-Year Capital Improvement Plan (CIP) for Fiscal Years 2016-2017 to 2020-2021 which is recommended for formal adoption on your June 28, 2016 Regular meeting agenda.

With your Board's direction, the Proposed Budget will be adjusted to include the following:

- Final Budget adjustments as outlined in the attached letter (Exhibit A) dated June 23, 2016 with no increase in net county cost; and
- Resolutions approving the increase of the special tax for the Emergency Medical Services District and Fire Department Emergency Medical Services, as well as the fees for the Flood Control and Water Conservation District and Clean Water Protection District, as presented on June 22 and 23, 2016.

In addition, the following letters were submitted during hearings by Board members advancing policy directives for discussion:

1. **Principles for AB 109 Public Safety Realignment Base Allocation (Attachment 1 – Supervisor Carson)**

Adopt a policy that an amount equal to 50% of the prior year's final AB109 public safety realignment base allocation be designated to fund only community-based providers and non-profits serving the re-entry population in Alameda County, as well as for the Transition Center, Community Capacity Fund and Innovations in Re-Entry program.

2. **Housing State of Emergency and Anti-Displacement and Homelessness Assistance Programs (Attachment 2 – Supervisors Carson and Chan)**

Declare a Housing State of Emergency and direct the Community Development Agency (CDA) to utilize former redevelopment (“Boomerang”) funds that have been allocated by the Board for affordable housing to fund Anti-Displacement and Homelessness Assistance programs based on best practice research.

3. **Alameda County Re-entry Hiring Program (Attachment 3 – Supervisors Carson and Valle)**

Direct the Human Resource Services department, in conjunction with other County departments and community partners, to develop and implement an Alameda County Re-Entry Hiring Program during FY 2016-17 that will provide sustainable wage jobs for those who have come in contact with the criminal justice system.

4. **Poverty Reduction Indicators (Attachment 4 – Supervisors Chan and Carson)**

Require that a poverty reduction indicator be included in Results Based Accountability (RBA) and other performance measurement programs with a report to the Board in March 2017.

The policy directives outlined above and detailed in the attached letters have no direct financial impact as they are proposed to be funded within resources included in the FY 2016-17 Proposed Budget.

Adoption of a policy regarding the 50% designation of the AB109 allocation for community-based providers (Attachment 1) and direction to develop the Alameda County Re-entry Hiring Program (Attachment 3) are both recommended for approval on your Board’s June 28, 2016 regular meeting agenda.

After your Board’s deliberations on the FY 2016-17 Proposed Budget and discussions regarding the policy directives advanced by Board members, I am recommending that your Board direct the County Administrator to develop a Final Budget that includes the Final Budget adjustments and special district taxes and fees approved during the hearings; and present the FY 2016-17 Final Budget for adoption at a Special Meeting on Tuesday, June 28, 2016 at 1:30 p.m.

Attachments

cc: Steve Manning, Auditor-Controller
Donna Ziegler, County Counsel

ATTACHMENT 1



KEITH CARSON
SUPERVISOR, FIFTH DISTRICT

BOARD OF SUPERVISORS

June 23, 2016

Honorable Board of Supervisors
1221 Oak St.
Oakland, CA 94612

Dear Board Members:

SUBJECT: Funding Principles for AB 109 Public Safety Realignment Base Allocation

RECOMMENDATION:

1. **Adopt a policy that 50% of the prior year's final AB 109 base allocation be designated to fund only community-based providers and non-profits serving the re-entry population in Alameda County as well as for the Transition Center, Community Capacity Fund and Innovations in Re-Entry program; and**
2. **Direct the Chief Probation Officer, as the Chair of the Community Corrections Partnership-Executive Committee, to work with other affected County departments and the Community Advisory Board to develop an implementation plan and timeline for distribution of the AB 109 Public Safety Realignment community-based organization designation to be approved by the Board of Supervisors' Public Safety Committee and then the full Board of Supervisors.**
3. **Authorize the County Administrative Officer and the Auditor-Controller to the make the appropriate adjustments to the FY2016/2017 final budget.**

DISCUSSION:

It has been five years since the implementation of AB109 and Alameda County like many of the other 57 Counties across the State of California have gone through many changes as we continue to implement the spirit of AB 109.

The AB 109 legislation dictates who serves on the Community Corrections Partnership Executive Committee (CCPEC) and how it operates in all 58 Counties; we in Alameda County are still settling into an operating model. Last year, Alameda County formed the Community Advisory Board (CAB), a body made up of a mix of community representatives, each member of the Board of Supervisors appoints three members to the Community Advisory Board. The CAB is designed to act as a voice for those engaged in re-entry and re-entry related work. The CAB, our Board of Supervisors, and the Public Safety Committee all have an impact on AB 109 implementation and the re-entry program for Alameda County.

Despite our efforts last year there continues to be an outcry from many in Alameda County, especially those engaged in re-entry community work who would like to see a more robust and better financed program embedded in the re-entry/Social Justice community. To this effort, I would like to advance a proposal that we

continue the 50% allocation that was started in fiscal year 2015/2016, that uses 50% of the AB 109 base allocation and directs those monies towards community based organizations working with the re-entry population.

My proposal is that we adopt a policy that 50% of the prior year's final AB 109 base allocation be designated to fund only community-based providers and non-profits serving the re-entry population in Alameda County as well as for the Transition Center, Community Capacity Fund and Innovations in Re-Entry program.

The Chief Probation Officer, as Chair of the Community Corrections Partnership will work with other affected County departments and the Community Advisory Board to develop and implementation plan and timeline for distribution of the AB 109 Public Safety Realignment community-based organization designation to be approved by the Board of Supervisors' Public Safety Committee and then the full Board of Supervisors.

It is again, the intent of my proposal to only have community based applicants (no County nor County related Departments, joint ventures, or sub-contracts) funded with this allocation of dollars for honest community based participation.

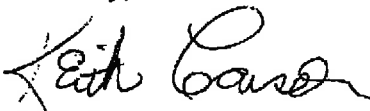
At the completion of the fiscal year, the CAB, CCPEC and Public Safety Committee will review the results of these efforts to determine if there should be changes to this program.

In addition I propose that within 90 days of the passage of this action that the **Community Corrections Partnership-Executive Committee** will convene a work shop on specific County Department and CBO budget allocations of AB 109 funds in 2015 and present the results of the workshop to the Board of Supervisors. This information will be presented by Department, with line item details on the origin of the funds, amount of funds, and a brief description of the program as well as outcomes of the program to-date, the number of re-entry people who have been served to-date, projections for how many will be served by the end of the calendar year, and an accounting of the money that went to Public Safety Departments for programs such as the Transition Day Reporting Center, etc. Also identify and include programs that are two year programs with the same detail.

FINANCING:

There is no increase in net county cost.

Sincerely,



Keith Carson
Alameda County Board of Supervisors

cc: Susan Muranishi, County Administrator
Steve Manning, Auditor-Controller
LaDonna Harris, Chief Probation Officer
Nancy O'Malley, District Attorney
Greg Ahern, Sheriff
Brendon Woods, Public Defender

ATTACHMENT 2

BOARD OF SUPERVISORS



KEITH CARSON
SUPERVISOR, FIFTH DISTRICT

June 23, 2016

Honorable Board of Supervisors
1221 Oak St.
Oakland, CA 94612

Dear Board Members:

SUBJECT: Declare a Housing State of Emergency and Plan and Prioritize Funding of Anti-Displacement and Homelessness Assistance Programs using Boomerang Funds

RECOMMENDATION:

1. Declare a Housing State of Emergency in Alameda County; and
2. Direct the Community Development Agency, Housing and Community Development Department to research in consultation with the Board of Supervisors and County Departments, Anti-Displacement best practices and Homelessness Assistance Programs to serve those most impacted by the current housing crisis.
3. Upon Passage of the Alameda County Housing Bond, utilize Boomerang Funds to implement the Anti-Displacement and Homelessness Assistance best practices in the most impacted communities in Alameda County. If the Housing Bond is not passed, direct the Community Development Agency, Housing and Community Development Department to work with the CAO and Auditor-Controller to identify resources to support the programs.
4. Authorize the County Administrative Officer and the Auditor-Controller to the make the appropriate adjustments to the FY2016/2017 final budget as needed.

DISCUSSION:

Stories of sudden evictions and skyrocketing rents are floating more often through our offices. As constituents are increasingly crunched by the rising cost of living, individuals are finding themselves pushed out of their housing in the Bay Area. Low-income communities of color are especially vulnerable to the impact of eviction and elevated rental rates. With a dwindling number of affordable housing units, many people find themselves at risk of homelessness.

Economic insecurity and the affordable housing crisis lead to the desperate situations of homelessness and street life that many of us witness in the Bay Area's major cities.

In Alameda County, a resident with the median income of about \$46,000 can spend over 70% of their earnings in rent.¹ With the increased financial burden of the cost of housing, a number of individuals are finding themselves in precarious and unstable living situations. Indeed, according to Alameda County's 2015 Point-In-Time count, there are just over 4,000 homeless residents.² One of the most unfortunate outcomes of this affordable housing crisis is the displacement of individuals to the streets or temporary shelters.

While the proposed Alameda County Housing Bond will address some of the capital needs of creation of affordable housing it will not address programmatic needs such as Rapid Re-Housing, Case Management, Interim Housing, Shelters, rental assistance and anti-displacement services. It is critical that while we work to bring new affordable housing capital resources to our county that we simultaneously plan to meet the immediate programmatic needs of those impacted by the affordable housing crisis.


FINANCING:

There is no increase in net county cost.

Sincerely,



Keith Carson
Alameda County Board of Supervisors



Wilma Chan
Vice President
Alameda County Board of Supervisors

cc: Susan Muranishi, County Administrator
Steve Manning, Auditor-Controller
Linda Gardner, CDA-HCD

¹ This statistic was a part of information presented by Margaretta Lin, on behalf of the Dellums Institute, at a Work Session for the Alameda County Housing Bond on April 25, 2016.

² "Everyone Counts!" EveryOne Home. <http://everyonehome.org/everyone-counts/> Accessed April 30, 2016.



BOARD OF SUPERVISORS

June 23, 2016

TO: Each Member, Board of Supervisors & County Administrator

FROM: Keith Carson & Richard Valle

CC: *K.C.* *R.V.*
Mary Welch, Interim Human Resource Services Director
All Department Heads

SUBJECT: Alameda County Re-Entry Hiring Program

RECOMMENDATION:

1. Direct Human Resource Services to Develop and Implement the Alameda County Re-Entry Hiring Program in FY 16/17.

DISCUSSION:

As of May 2016, the unemployment rate in Alameda County was 4.2%¹, 0.5 percentage points below the national rate². However, we know that the unemployment rate amongst formerly incarcerated residents is much higher due to the systemic barriers they face. Incarceration can lead to a 15 to 30% decline in subsequent employment rates after release³. While Alameda County has invested in workforce development and training programs for clients on probation, those programs have lacked a stable pipeline of jobs that provide secure employment with family sustaining wages.

Through AB 109 Realignment, Alameda County Probation Department contracts with several organizations to provide employment services for their clients. These services include: Employability Assessments, Job Readiness Training, Transitional Work Programs, Subsidized/Unsubsidized Employment, and Job Retention Services.

In 2014/2015, of the 13,718 clients served on Probation, 397 clients were referred to at least one of four different employment partners, only 259 of those referred were actually enrolled into one of the programs. Out of those clients who enrolled in the services, 79 clients obtained employment, of those, only 7 retained a job for at least 180 days.⁴

¹ State of California May 20, 2016, Employment Development Department, Labor Market Information Division
[http://www.calmis.ca.gov/file/lfmonth/oak\\$pd.pdf](http://www.calmis.ca.gov/file/lfmonth/oak$pd.pdf)

² Federal Bureau of Labor Statistics June 3, 2016, Employment Situation Summary

³ Freeman, Richard B. 1991. "Crime and the Employment Disadvantaged Youths." NBER Working Paper No. 3875, Cambridge, MA: National Bureau of Economic Research

⁴ Alameda County "Four Year Status Update Public Safety Realignment in Alameda County July 1, 2014 – June 30, 2015"
http://www.acgov.org/probation/documents/PublicSafetyRealignment_Y4StatusUpdate2015.pdf

As the 14th largest employer in the Bay Area⁵, Alameda County is in the unique position to create a hiring program which can directly provide 1,400 sustainable wage jobs for people who have come into contact with the criminal justice system.

The Alameda County Re-Entry and Harder to Employ Hiring Program will build upon the County's existing re-entry workforce development and training programs by using the Probation Department's employment and training contracts as feeders into the Hiring Program.

The Program will be executed in partnership with all County departments and the Justice Reinvestment Coalition of Alameda County. Alameda County Human Resource Services will develop the Re-Entry Hiring Program in consultation with the Justice Reinvestment Coalition of Alameda County to be implemented in FY 16/17. The program will include job coaching and mentorship for those participating in the program, court advocates to assist program participants in reducing their Probation terms, training for County managers who will supervise participants in the program as well as an administrative oversight component. In addition to the County producing jobs, the Program will seek to enter into MOUs with other public agencies to participate in the Program such as the Alameda Health System, East Bay MUD, SFPUC, etc. as well as outreach to include our diverse private sector employers.

By September 28, 2016 (3 months after the Board approves the Program) Human Resource Services will report back to the Board of Supervisors with a proposed program, an accounting of available County jobs, and the administrative structure for the program.

By December 28, 2016 (6 months after the Board approves the Program) Human Resources Services should have all staffing and program supports in place and be prepared to admit the first program participants.

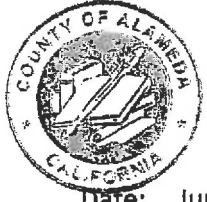
Human Resource Services will provide bi-annual reports to the Board of Supervisors on the outcomes of the program, including, but not limited to, how many people have been employed and for how long, and demographic information on those employed.

FINANCING:

There is no increase to net county cost as the proposed new program will be funded within the Fiscal Year 2016/2017 budget.

⁵ San Francisco Center for Economic Development "Largest Employers in the Bay Area of San Francisco 2016" <http://sfced.org/wp-content/uploads/2016/03/Largest-Employers-Jan-2016.pdf>

ATTACHMENT 4



BOARD OF SUPERVISORS

WILMA CHAN
Vice President

Supervisor, Third District

Date: June 21, 2016

To: Each Member, Board of Supervisors

Susan Muranishi, County Administrator

From: Supervisor Wilma Chan and Supervisor Keith Carson *K.C.*

Re: Poverty reduction indicator as part of Results Based Accountability (RBA)

RECOMMENDATION

That the Board of Supervisor approves the following recommendation:

1. To require departments who have adopted RBA (in evaluating the cost effectiveness of programs) to include an indicator on the success of programs in reducing poverty
2. To require departments who have adopted RBA to report any findings on successful poverty reduction programs and initiatives to the Board by March 2017
3. To require departments who have yet to adopt an RBA framework to report to the Board by March 2017 on any budgeted programs or initiatives aimed at reducing poverty and their relative efficacy

DISCUSSION/SUMMARY

In January 2014, the Board Adopted the New War on Poverty Initiative, subsequently named "All In". The countywide initiative aims to address the issues of poverty, income inequality and creating equal opportunity following the Great Recession of 2008. The methodology includes inter-agency collaboration, collaboration with non-profit and business partners, authentic engagement of community voices and implementation of best practices. Areas of action currently include food security, employment, entrepreneurship, education and housing. Involved County agencies include Social Services, Planning, Healthcare and Public Safety.

In considering the County's 2026 Strategic Plan, preliminary discussion included adding Poverty Reduction and All In as one focal point of the County's strategic framework. The goal of reducing Poverty should therefore be reflected in department budgeting choices and outcomes.

This recommendation is consistent with the County's Values Based Budgeting. It is also consistent with the RBA program and budget evaluation adopted by the Interagency Children's Policy Council and a number of County departments.

FINANCING

There is no fiscal impact on the County.

C O U N T Y A D M I N I S T R A T O R



SUSAN S. MURANISHI
COUNTY ADMINISTRATOR

June 23, 2016

Honorable Board of Supervisors
County Administration Building
Oakland, CA 94612

Dear Board Members:

SUBJECT: 2016-17 FINAL BUDGET ADJUSTMENTS

RECOMMENDATION:

That your Board approve the final adjustments in the amount of \$162,213,554 as detailed in Attachments 1 and 2 and authorize my office and the Auditor-Controller to make other technical adjustments.

DISCUSSION/SUMMARY:

This letter transmits recommendations for final budget adjustments, including items approved by your Board subsequent to development of the FY 2016-17 Maintenance of Effort Budget and other technical adjustments.

Final budget adjustments result in increased appropriations and revenue in the General/Measure A Funds of \$28,008,633 with **no change in net county cost** and a net increase of 7.03 full-time equivalent (FTE) positions, which are fully offset by revenue or current appropriations. Other Funds have increased by \$134,204,921 in appropriations and revenue, with a decrease of 0.01 FTEs. Attachment 1 summarizes the adjustments by department. Attachment 2 lists each of the adjustments in detail.

	<u>Appropriations</u>	<u>Revenue</u>	<u>Net</u>	<u>FTE</u>
Change - General/Measure A Funds	\$ 28,008,633	\$ 28,008,633	\$ -	7.03
Change - Other Funds	\$ 134,204,921	\$ 134,204,921	\$ -	(0.01)
Total Change - All Funds	\$ 162,213,554	\$ 162,213,554	\$ -	7.02

FINANCING:

These adjustments do not increase net county costs and will be incorporated in the final budget adopted by your Board. Additional positions are fully offset with revenue or funded within existing appropriations.

Very truly yours,



Susan S. Muranishi
County Administrator

SSM:DB:PC

Attachments

c: Steve Manning, Auditor-Controller
Agency/Department Heads

EXHIBIT A (Attachment)

Attachment 1

FY 2016-17 FINAL BUDGET ADJUSTMENTS SUMMARY BY DEPARTMENT

Department	Salaries & Benefits	Services & Supplies	Other Charges	Fixed Assets	Intra-Fund Transfers	Other Financing Uses	Total Appropriation	Total Financing	Net County Cost	Full-Time Equivalent Positions
Auditor	(8,490)	2,247	0	0	0	0	(6,243)	0	(6,243)	0.00
Assessor	0	(6,666)	0	0	0	0	(6,666)	0	(6,666)	0.00
Behavioral Health Care Services	38,444	5,310,769	0	0	95,112	0	5,444,325	5,481,026	(36,701)	0.00
Board of Supervisors	0	(20,080)	0	0	0	0	(20,080)	0	(20,080)	0.00
Clerk Recorder	0	(2,789)	0	0	0	0	(2,789)	0	(2,789)	0.00
Community Development Agency	0	57,654	0	0	(61,825)	0	(4,171)	23,175	(27,346)	0.00
Contingency & Reserves	0	0	0	0	0	(190,144)	(190,144)	0	(190,144)	0.00
County Administrator's Office	31,219	(33,924)	0	0	0	0	(2,705)	0	(2,705)	0.00
County Counsel	0	0	0	0	0	0	0	0	0	0.00
Countywide Expense	0	0	0	0	0	0	0	0	0	0.00
Department of Child Support Services	0	(13,263)	0	0	0	0	(13,263)	0	(13,263)	0.00
District Attorney's Office	(149,602)	116,003	0	0	0	0	(33,599)	0	(33,599)	0.00
Environmental Health Department	115,268	(121,774)	0	0	0	0	(6,506)	0	(6,506)	0.00
General Services Agency	1,479	(102,299)	0	0	0	0	(100,820)	0	(100,820)	0.00
Health Care Services Administration	7,594	2,039,659	17,368,729	0	0	0	19,415,982	19,420,883	(4,901)	0.00
Human Resources Services	0	(9,653)	0	0	0	0	(9,653)	0	(9,653)	0.00
Information Technology Department	0	(57)	0	0	0	0	(57)	0	(57)	0.00
Non-Program Expenditures	0	0	0	0	0	0	0	0	0	0.00
Non-Program Financing	0	0	0	0	0	0	0	0	0	0.00
Probation Department	15,207	(129,384)	0	0	0	0	(114,177)	0	(114,177)	0.00
Public Defender	3,720	(28,199)	0	0	0	0	(24,479)	0	(24,479)	0.00
Public Health Department	(84,154)	1,136,906	0	0	0	0	1,052,752	1,092,650	(39,898)	(1.30)
Public Protection Realignment	0	1,690,144	0	0	0	0	1,690,144	0	1,690,144	0.00
Registrar of Voters	0	(12,694)	0	0	0	0	(12,694)	0	(12,694)	0.00
Sheriff's Office	1,573,885	(1,022,626)	0	0	0	0	551,259	1,427,381	(876,122)	8.00
SSA - Administration & Finance	158,353	242,959	0	0	0	0	401,312	569,518	(162,206)	0.33
SSA - Adult, Aging & Medi-Cal Services	0	(2,155)	0	0	0	0	(2,155)	0	(2,155)	0.00
SSA - Workforce Investment Board	0	(792)	0	0	0	0	(792)	0	(792)	0.00
Treasurer Tax Collector	0	(2,168)	0	0	0	0	(2,168)	0	(2,168)	0.00
General Fund Total	1,702,923	9,093,838	17,368,729	0	33,287	(190,144)	28,008,633	28,008,633	0	7.03
General Services Agency	0	720,788	6,856	0	0	0	727,644	727,644	0	0.00
Information Technology Department	107,037	1,305,854	0	0	0	0	1,412,891	1,412,891	0	(0.01)
Internal Service Funds Total	107,037	2,026,642	6,856	0	0	0	2,140,535	2,140,535	0	(0.01)
Capital Projects	0	0	0	110,053,225	0	0	110,053,225	110,053,225	0	0.00
Zone 7 Flood Control/Water Agency	(52,284)	24,470,813	0	25,000	(2,419,875)	(12,496)	22,011,161	22,011,161	0	0.00
Special Funds & Districts Total	(52,284)	24,470,813	0	110,078,225	(2,419,875)	(12,496)	132,064,386	132,064,386	0	0.00
Library	26,715	(26,715)	0	0	0	0	0	0	0	0.00
Library Funds Total	26,715	(26,715)	0	0	0	0	0	0	0	0.00
Grand Total	1,784,394	35,564,578	17,375,585	110,078,225	(2,386,588)	(202,640)	162,213,554	162,213,554	0	7.02