

City Budget Fiscal Year 2021-2022



City Council Meeting
June 1, 2021





Today's Agenda

- **Revive Santa Ana**
 - Updated Spending Plan
- **City Budget**
 - Proposed FY 21-22 General Fund Revenue
 - Proposed FY 21-22 General Fund Expenditures
 - Proposed FY 21-22 Restricted Funds Expenditures
- **FY 21-22 Department Presentations**
 - Organizational Chart
 - Proposed Budget
 - Highlights
 - Goals



Updated Spending Plan

Added the following with May 24 direction from City Council:

- ✓ Mental Health Recovery
- ✓ Memorial to Lives Lost
- ✓ Contribution to Local Health Clinics
- ✓ Faster Resident Stimulus Funding
- ✓ Community Garden
- ✓ Playful Learning Landscape at the Library
- ✓ Arts in Early Childhood Support & Head Start
- ✓ Homework Assistance in After-School Programs

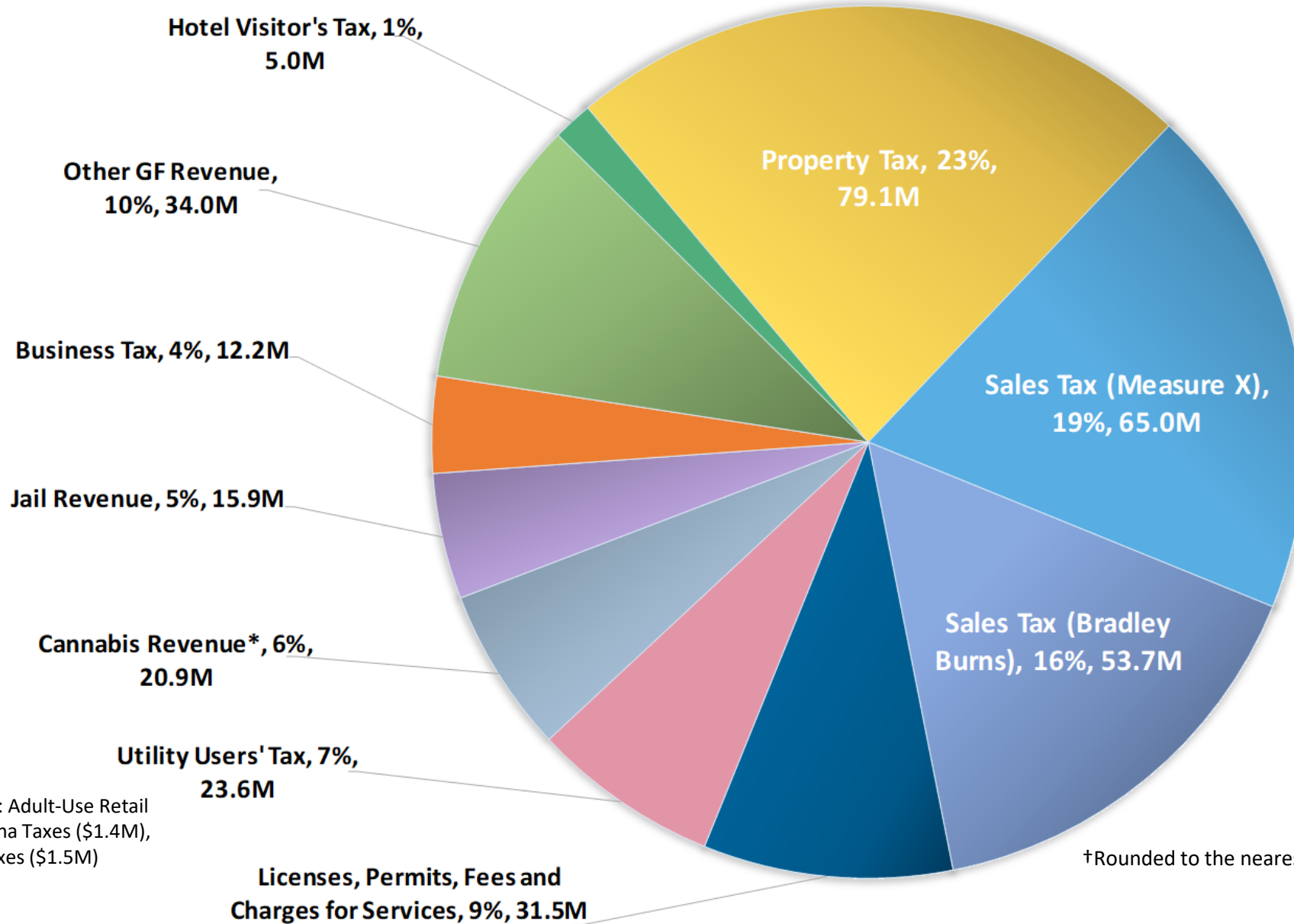
Priority	Proposed Allocation
Recovery from the Pandemic	\$7,200,000
Direct Assistance Programs	24,613,881
Public Health & Safety	14,000,000
Critical Infrastructure	19,500,000
City Fiscal Health	14,180,000
First Tranche	\$79,493,881

Expected budget appropriation on June 15



City Budget

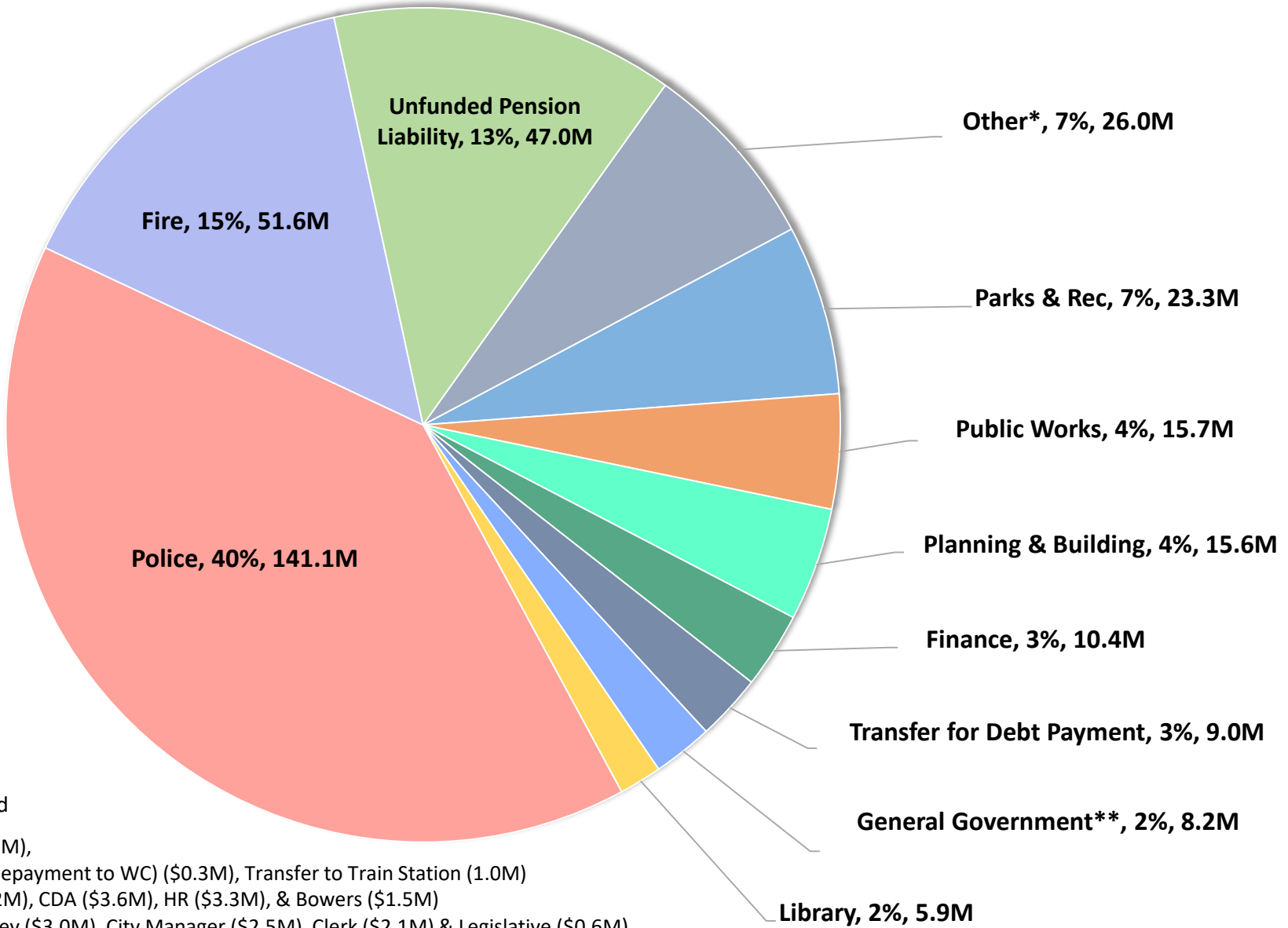
Estimated FY 21-22 General Fund Revenue: \$340.9M[†]



[†]Rounded to the nearest hundred thousand

* Cannabis Revenue Includes: Adult-Use Retail Tax (\$18M), Medical Marijuana Taxes (\$1.4M), and Commercial Cannabis Taxes (\$1.5M)

Proposed FY 2021-22 General Fund Expenditure: \$353.8M[†]

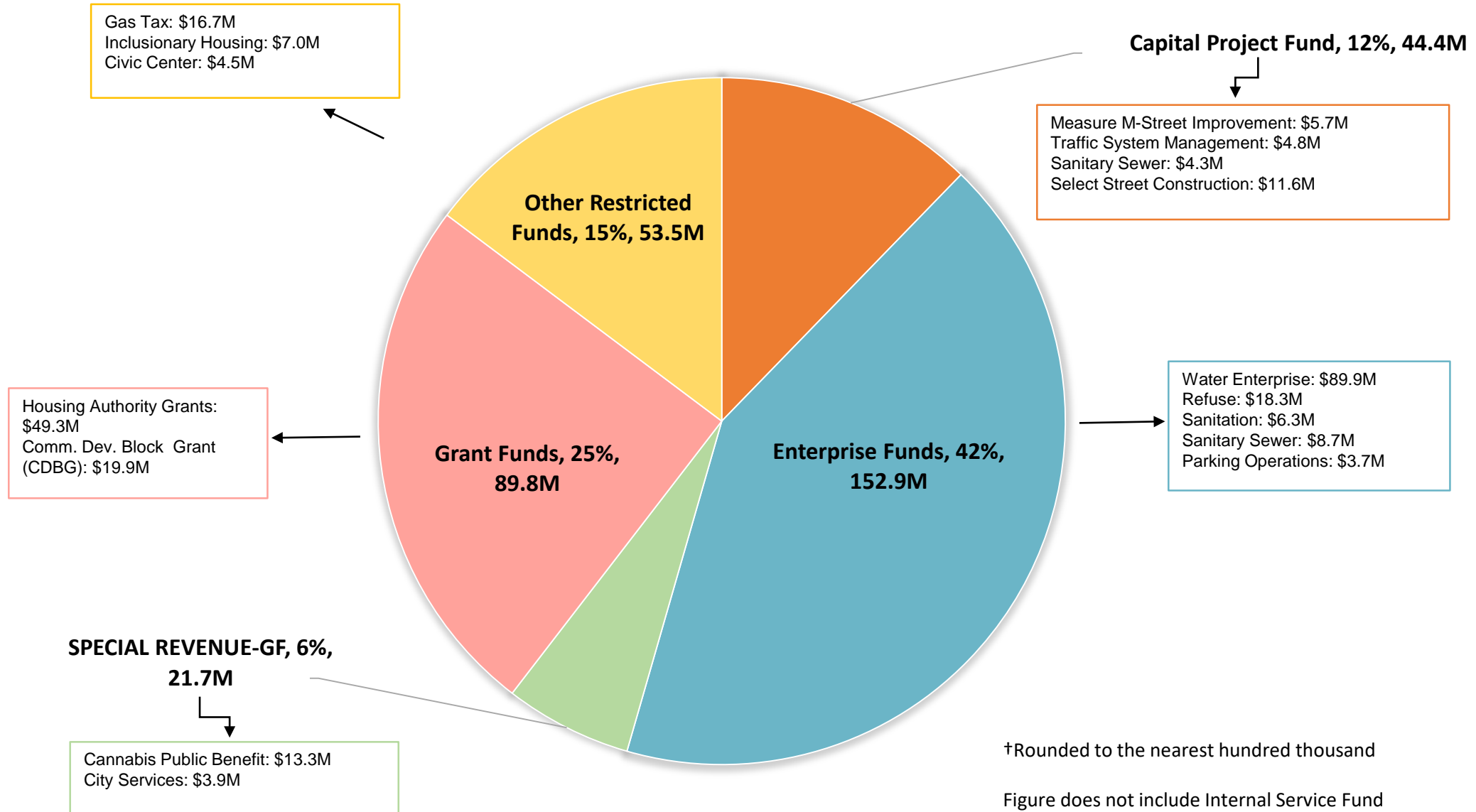


[†]Rounded to the nearest hundred thousand

* Other includes: Transfer to Cannabis (\$13.0M), Transfer to Fund 051 (Fire Station #1 - Loan Repayment to WC) (\$0.3M), Transfer to Train Station (1.0M) Transfer to Fund 074 (0.7M), Non-Dept. (\$2.2M), CDA (\$3.6M), HR (\$3.3M), & Bowers (\$1.5M)

** General Government includes: City Attorney (\$3.0M), City Manager (\$2.5M), Clerk (\$2.1M) & Legislative (\$0.6M)

Proposed FY 2021-22 Restricted Funds Expenditure: \$362.3M[†]




[†]Rounded to the nearest hundred thousand

Figure does not include Internal Service Fund Expenditures of \$107.8M

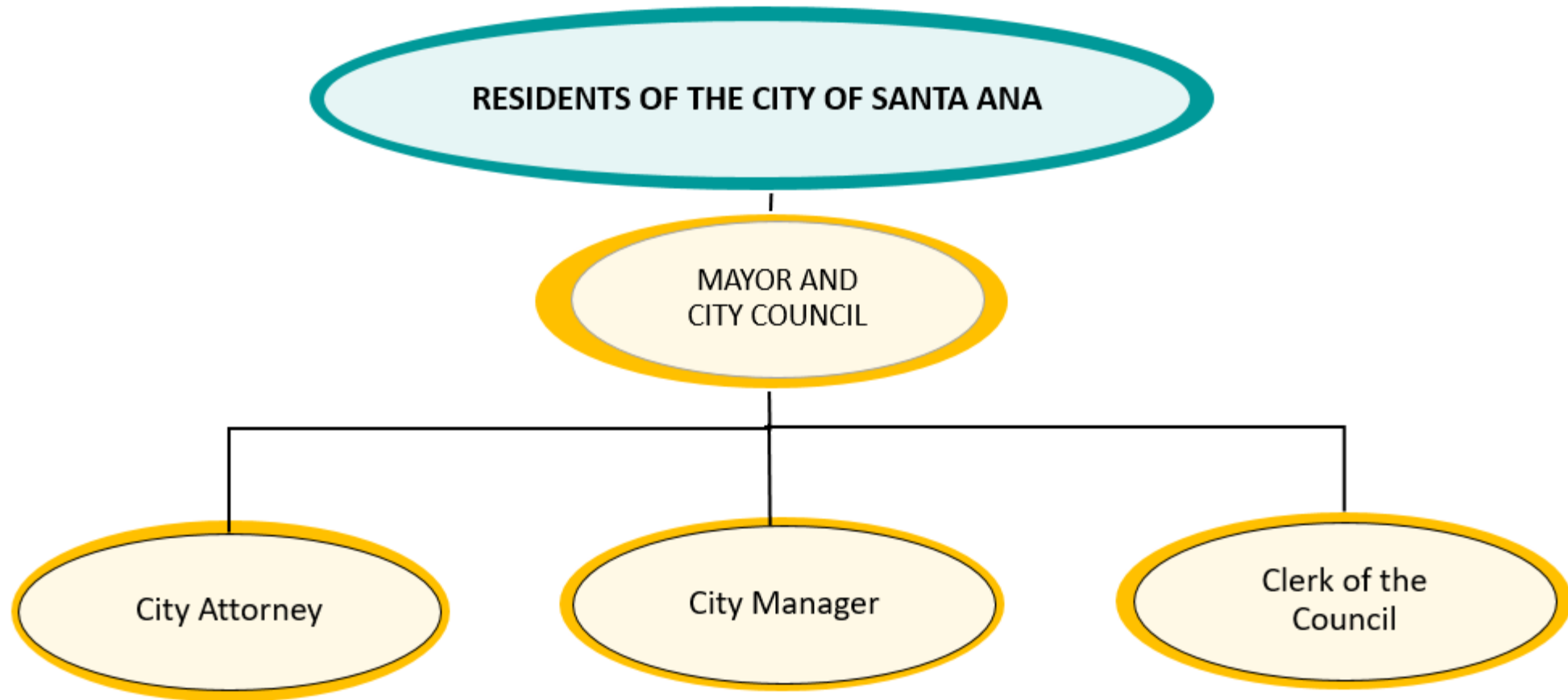
The background is a grayscale image of a desk with business-related items. A calculator is prominent in the lower right, with a pair of glasses above it. To the left, there are several charts, including a pie chart and a bar chart. A pen is also visible in the lower left. The overall scene suggests a professional or financial setting.

Department Presentations

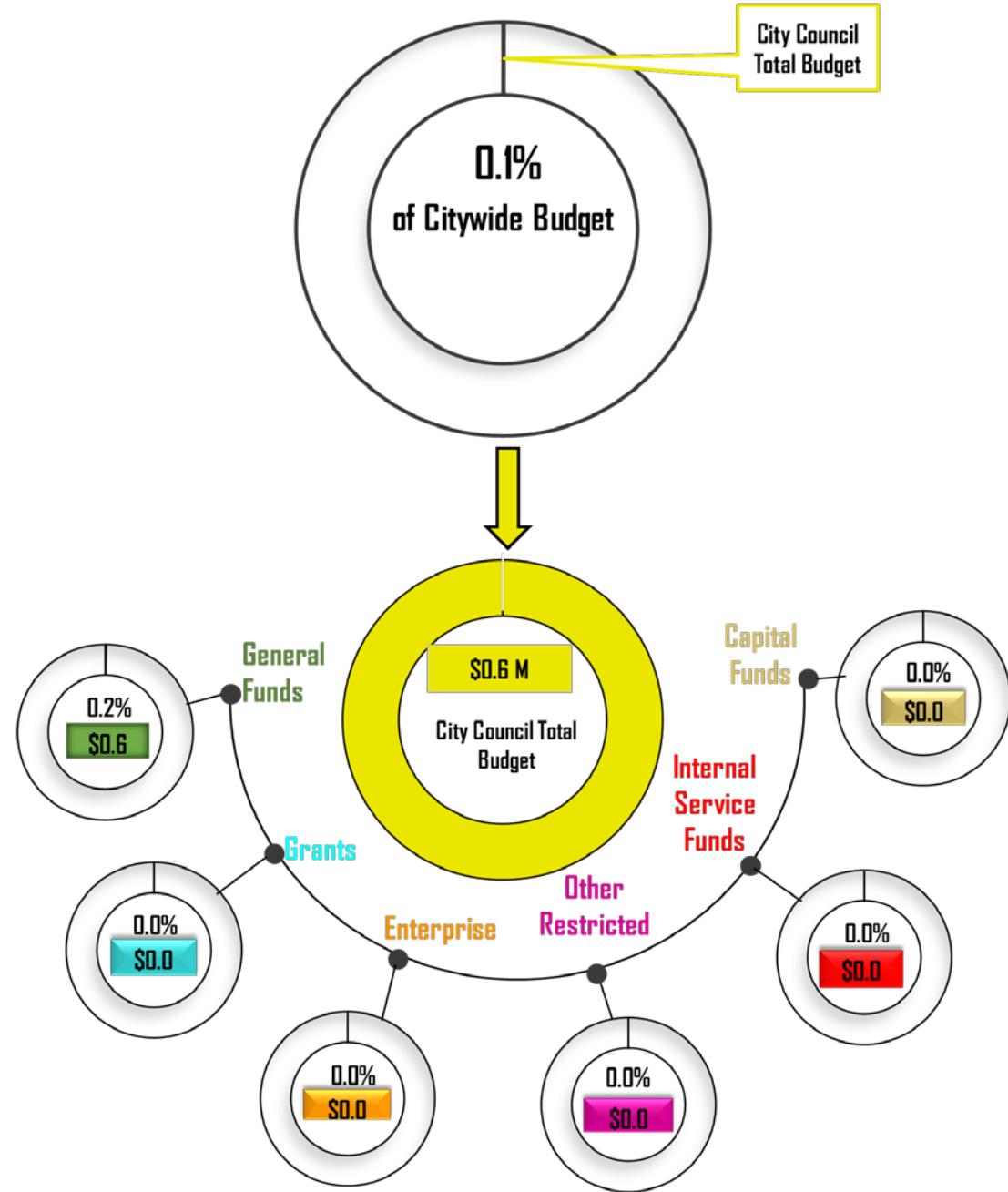
City Council



City of Santa Ana Organizational Chart



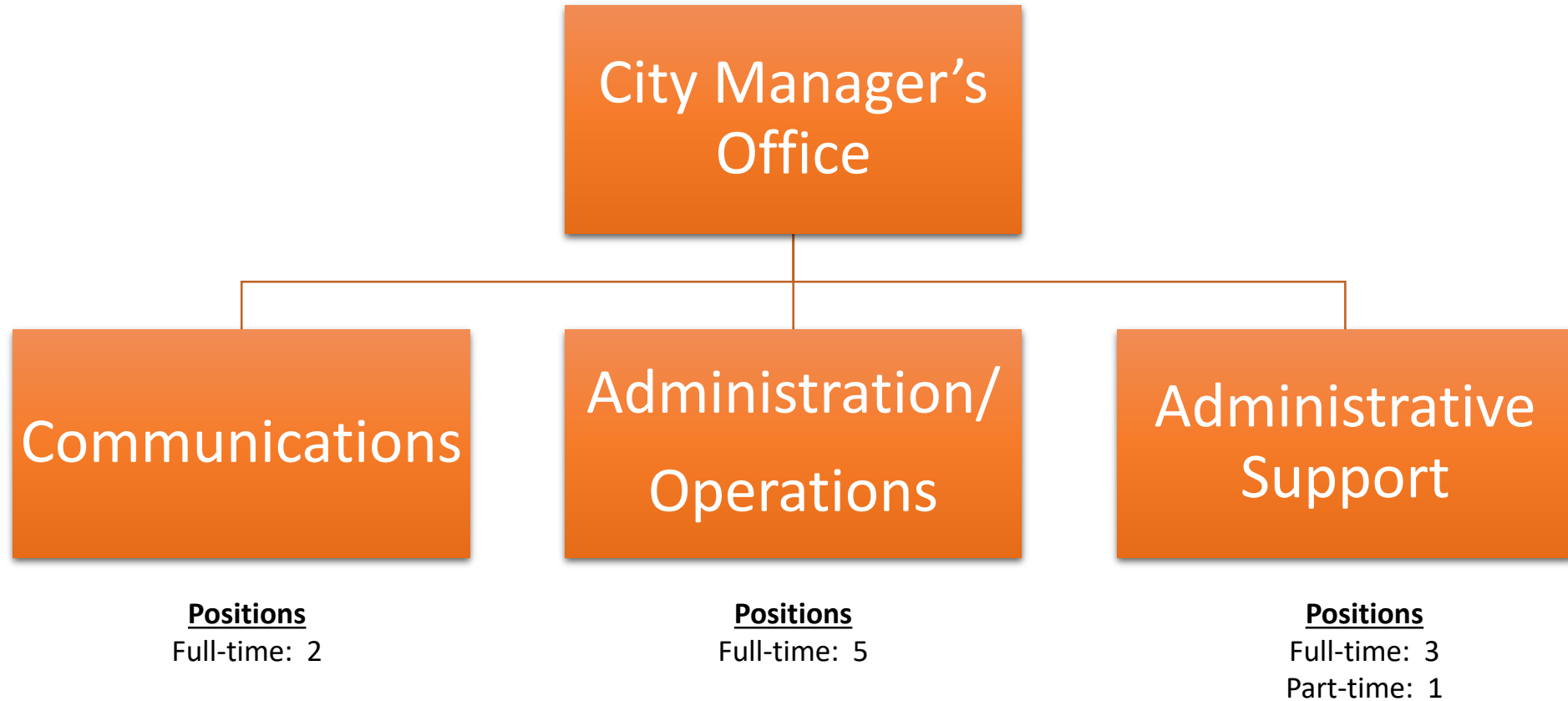
City Council



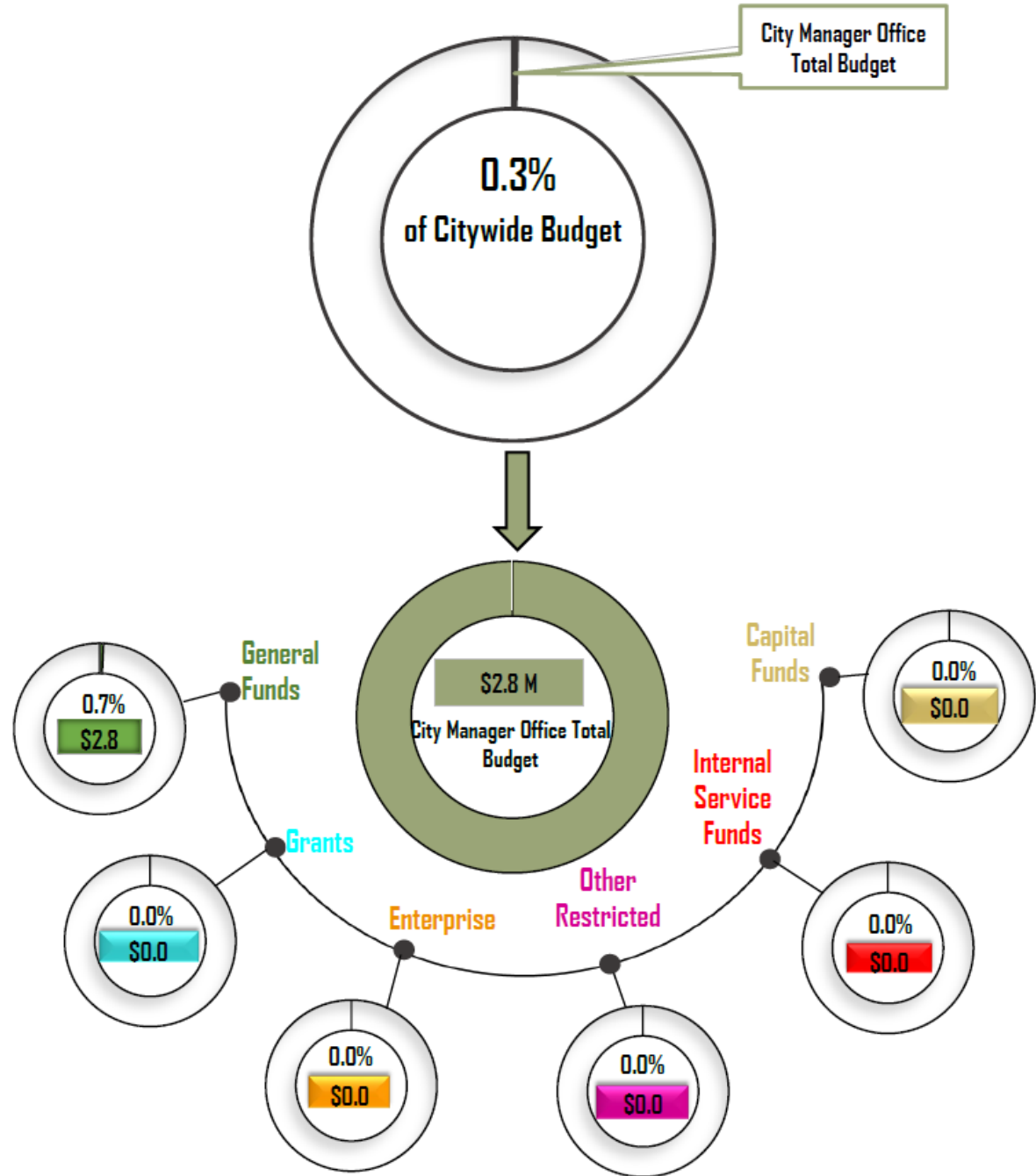
City Manager's Office



City Manager's Office Organizational Chart



City Manager's Office



Highlights

City Manager's Office

- Lead COVID-19 response and recovery efforts, issuing 16 Executive Orders, produced 30 COVID PSA videos and administering the \$28.6M CARES program including 35k COVID tests, 200+ mobile resource centers and a dedicated hotline assisting 17k+ callers.
- Launched a bi-monthly community newsletter to share news, updates, and other timely information to residents, businesses, and other community members.
- Lead the Santa Ana 2020 Census Complete Count Committee, increasing self-response rates in 78% of census tracts in the city, as compared to 2010 response rates.
- Increased social media following by 81% across all platforms, YouTube subscribers are up 439% and website traffic grew to an all-time high of 500,428 page views in May 2021.

Goals

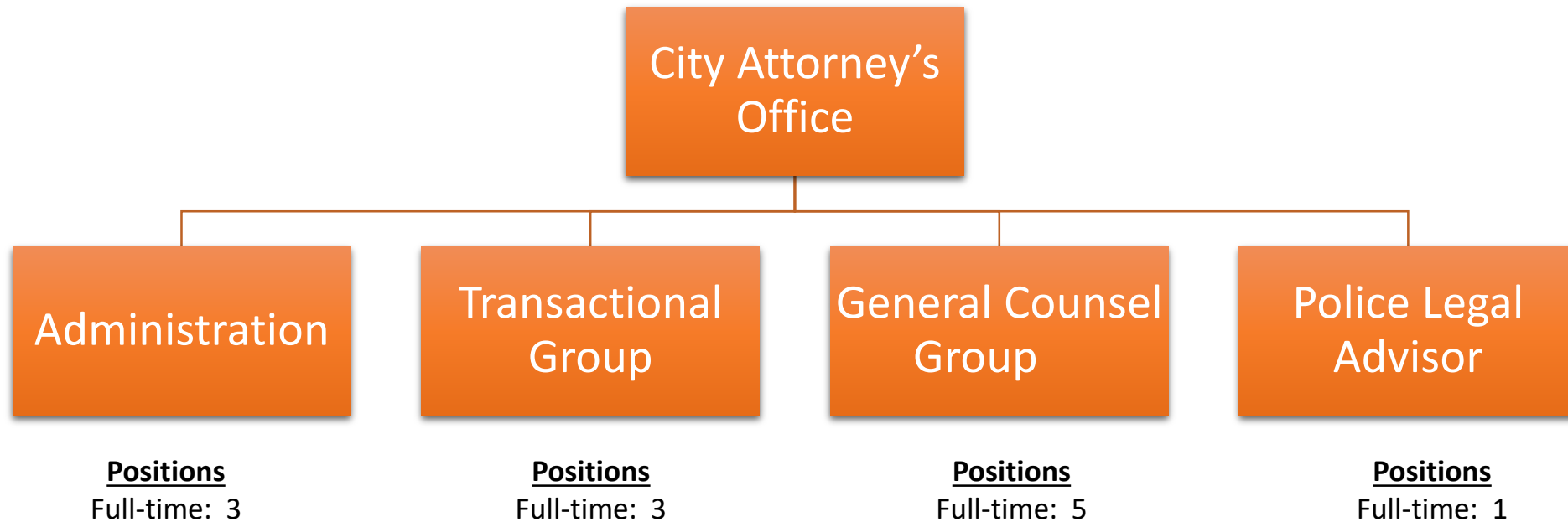
City Manager's Office

- Play a lead role in COVID-19 recovery efforts including the Revive Santa Ana initiative.
- Hire an Equity and Inclusion Coordinator to educate and support City staff and elected officials to advance equity and ensure that all residents have what they need to thrive in Santa Ana.
- Conduct study of language, cultural and communication barriers in Santa Ana households to formulate new strategies to better reach secondary-English and Immigrant constituents.
- Play a lead role in exploring best practices for police oversight, identify various models of oversight, and evaluate the various frameworks.

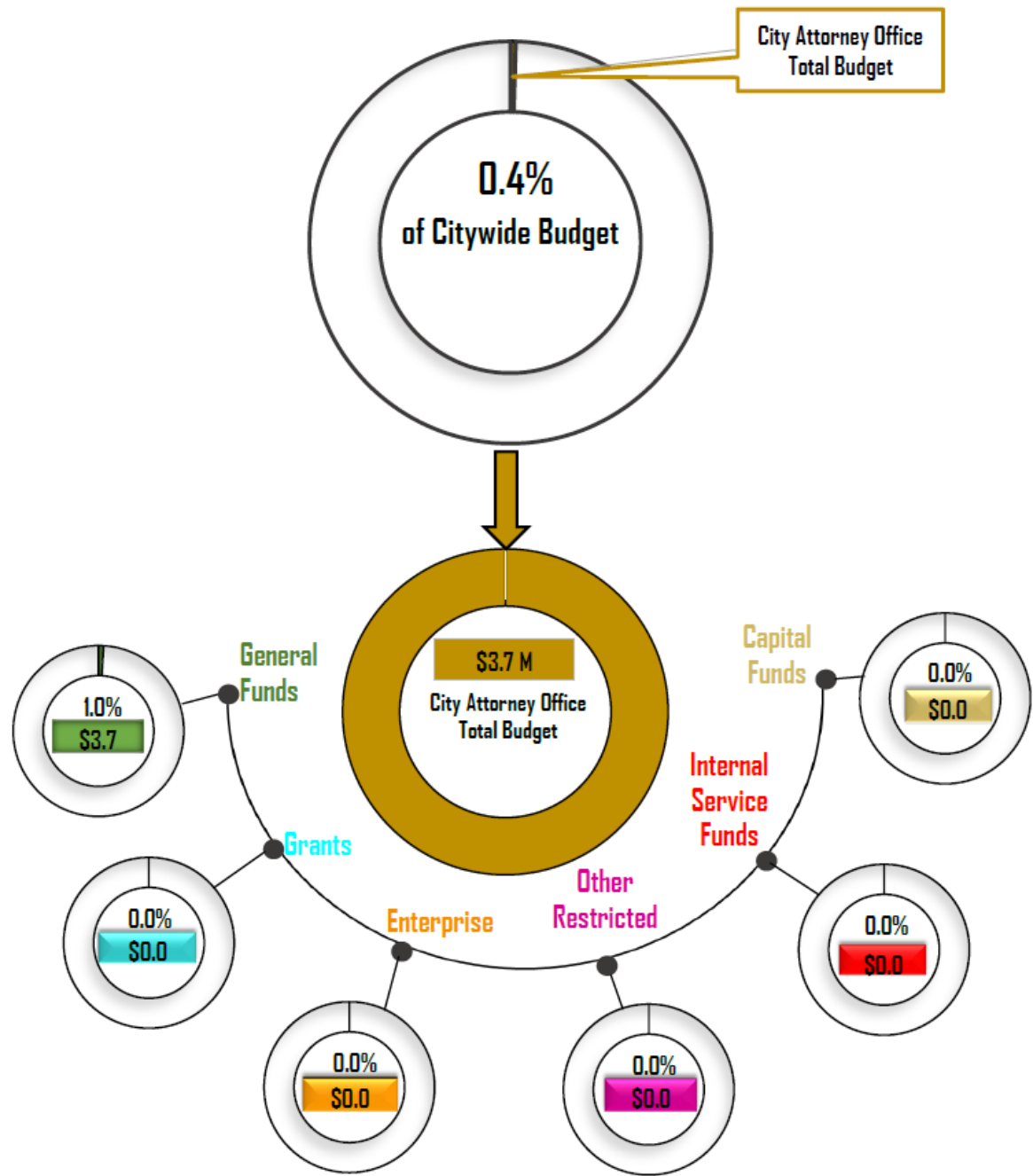
City Attorney's Office



City Attorney's Office Organizational Chart



City Attorney's Office



Highlights

City Attorney's Office

- Responded to 1266 requests for legal service (as of April 30th) including preparation of agreements, ordinances, resolutions, and general legal advice.
- Initiated nuisance abatement litigation against several local motels and commercial property owners resulting in settlements improving the conditions of the surrounding neighborhoods.
- Defended in-house 57 litigation matters brought against the City and its employees and managed additional litigation assigned to outside counsel.
- Obtained several administrative abatement warrants to clean up weed and rubbish conditions and other nuisance conditions on certain private properties.
- Participated in the City CARES Act task force to distribute funding for COVID-19 relief measures.
- Continued support for all City departments regarding the ongoing local emergency due to COVID-19.

Goals

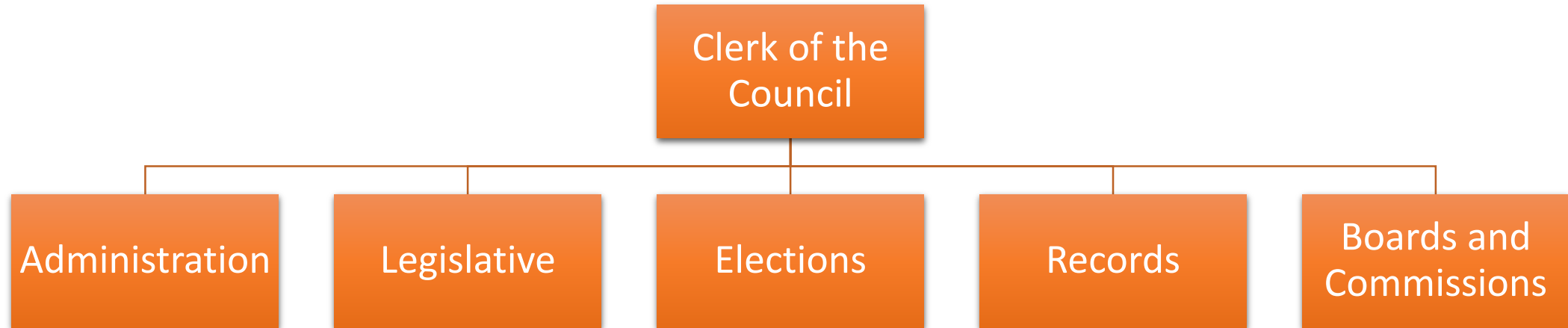
City Attorney's Office

- Continue to provide support to all City Departments and Agencies with management of the local emergency declaration regarding COVID-19.
- Continue abatement measures for nuisance properties with a focus on burned or abandoned buildings and nuisance hotels or motels.
- Provide support to all City Departments and Agencies with technology modernization projects.
- Support continued efforts to address homelessness issues and to provide supportive services while addressing community effects.
- Provide support to all City Departments and Agencies with continued implementation of effective efficient policies and processes.
- Identify and implement training opportunities regarding legal issues.

Clerk of the Council



Clerk of the Council Organizational Chart

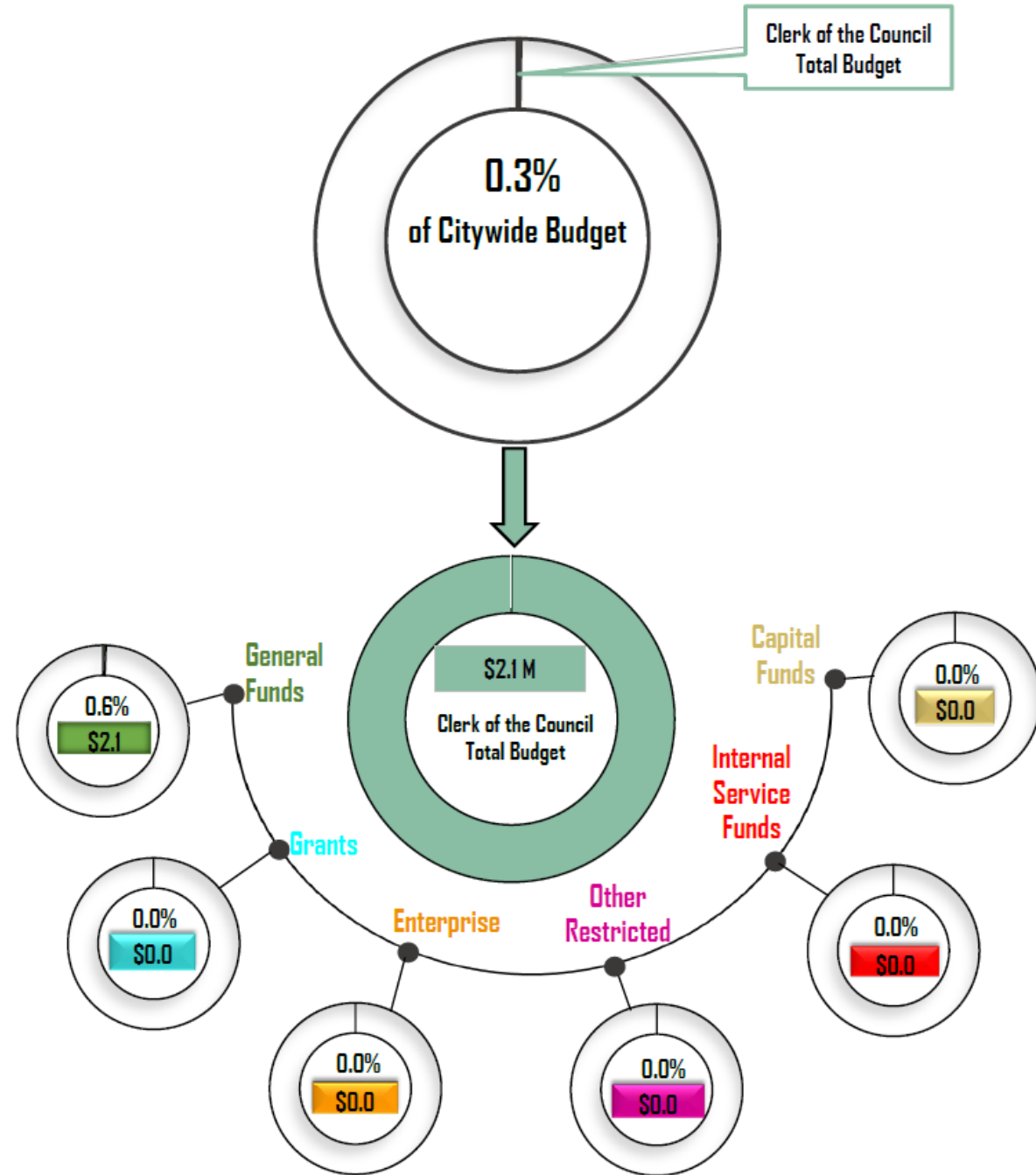


Positions

Full-time: 5

Part-time: 2

Clerk of the Council of the Council



Clerk of The Council

Highlights

- 27 virtual City Council Meetings held since March 2020
- 2,056 public records requests processed since the COVID shutdown in March 2020
- Implemented a new public records request system (NextRequest) and an agenda management system (PrimeGov)
- Citywide training of staff to optimize efficiency during the COVID-19 pandemic, including processing agreements, finalizing and processing resolutions, updating the municipal code, process claims, subpoenas, summons, and legal services
- 56 Boards and Commissions seats filled

Clerk of The Council

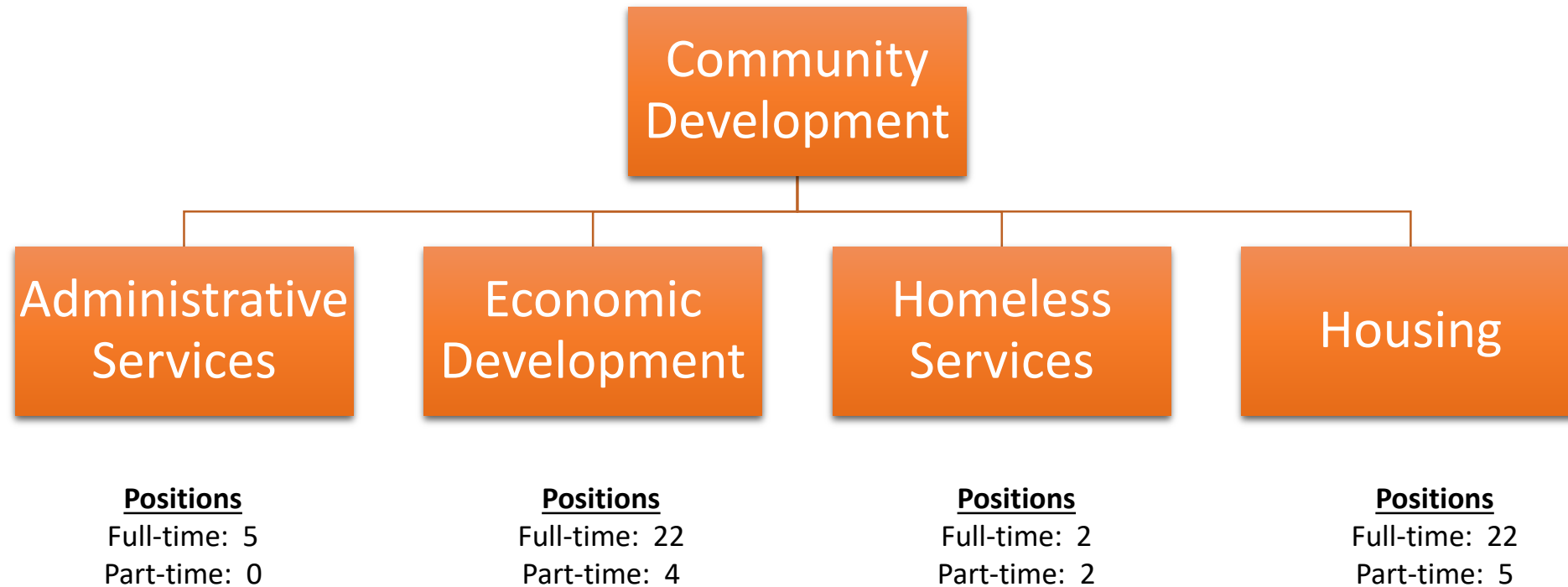
Goals

- Alignment of staffing levels to adequately address the workload requirements of the department. Presently, this translates to adding 2 FTE, which have not been added to the proposed budget at this time.
- Administration of a citywide records management (retention) program to ensure compliance of storage, retrieval, and destruction of City records across all departments. (This has not been updated since 2013.)
- Intradepartmental cross training in COTC programs and systems to improve efficiency and effectiveness.
- 16-month management and execution of the redistricting of City wards and 2022 Mayoral and Council races (Wards 2, 4, and 6).

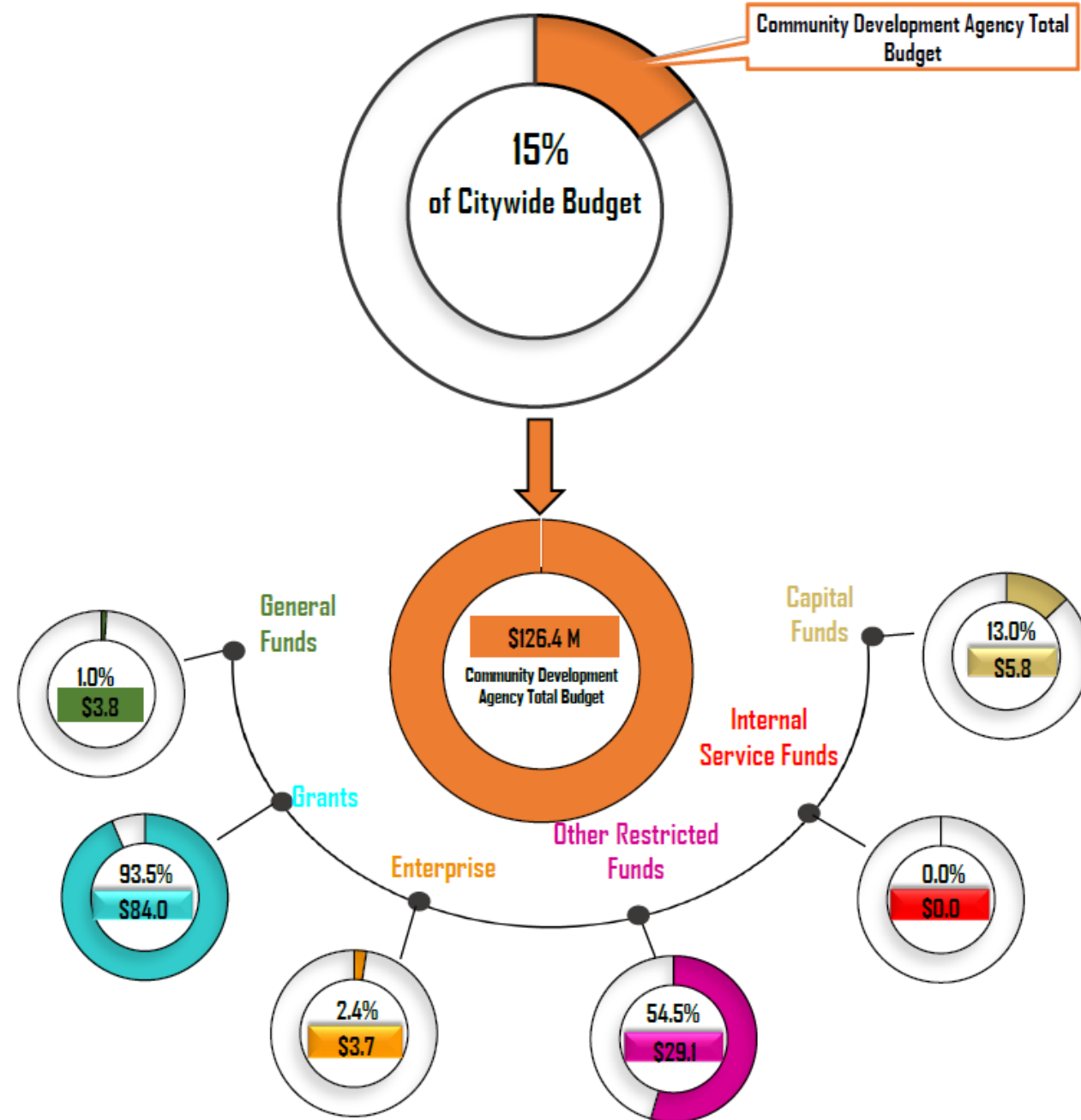
Community Development Agency



Community Development Organizational Chart



Community Development Agency



Community Development Agency

Highlights

- Established the Santa Ana Tourism Marketing District
- Entered into Disposition and Development Agreement (DDA) for development of 3rd/Broadway Parking Structure
- Completed construction of Casa Querencia (56 permanent supportive housing units) and La Placita Cinco (50 affordable housing units)
- Completed rehabilitation of Cornerstone Apartments (126 units of affordable housing)
- Prevented 54 households from eviction and homelessness through our SAVES Program.
- Provided over 6,000 outreach and engagement contacts and assisted over 500 individuals to get off the streets of Santa Ana.

Goals

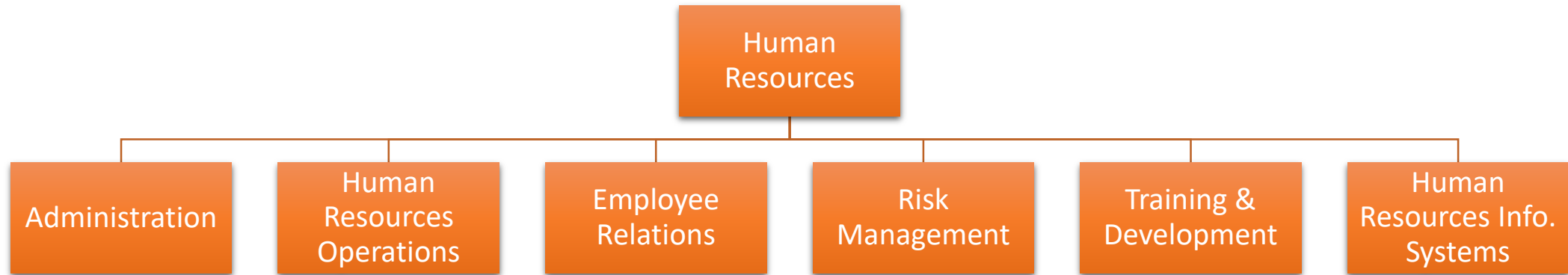
Community Development Agency

- Procure new downtown parking operator for city-owned structures and lots
- Continue facilitation of 3rd and Broadway development project
- Distribute over \$22.4 million in additional emergency rental assistance to assist households unable to pay their rent because of the pandemic
- Allocate \$6.1 million in HOME – ARP Program funds for permanent supportive housing and supportive services for people experiencing homelessness
- Advance affordable housing projects in the pipeline (i.e. Lacy and Vance, FX Residences, Crossroads at Washington and Westview House)
- Open the new Homeless Navigation Center and transition homeless shelter guests to the new site
- Implement a program to divert service calls not relating to criminal activities from SAPD to outreach teams to engage with individuals dealing with mental health, homelessness and substance abuse
- Complete disposal of remaining Successor Agency properties on the Long Range Property Management Plan

Human Resources



Human Resources Organizational Chart

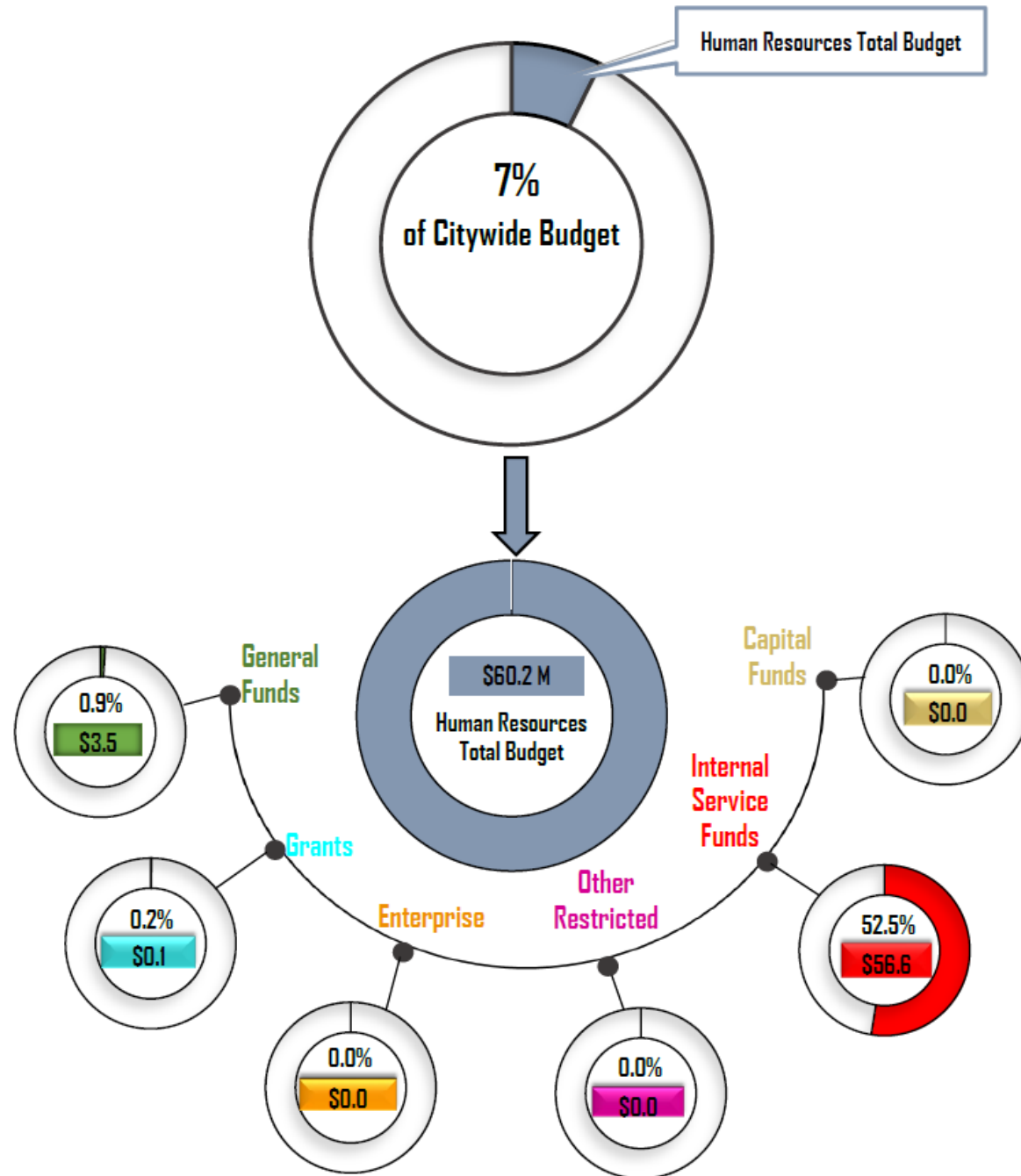


Positions

Full-time: 29

Part-time: 1

Human Resources



Human Resources

Highlights

- Developed and ensured compliance with Covid-19 regulations and guidelines
- Implementation of Citywide Wellness Program
- Converted all testing (written exams and interviews) to virtual platforms to accommodate social distancing measures
- Implemented and administered Emergency Paid Sick Leave Act (EPSL) – approximately 140 EPSL claims
- Administered and mitigated approximately 530 unemployment claims; as well as coordination with Finance for reimbursement through the Coronavirus Aid, Relief, and Economic Security (CARES) Act

Human Resources

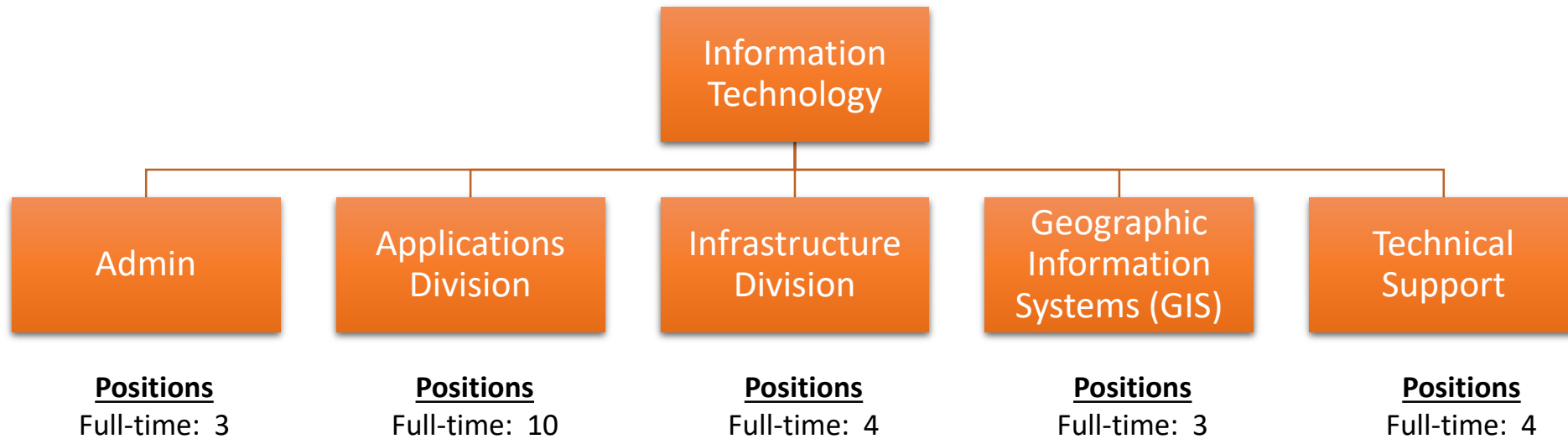
Goals

- Development and implementation of citywide training and development program, including supervisory and management training and New Employee Orientation
- Improve the performance evaluation process and rollout an online Performance Management solution
- Modernize classifications and conduct a Functional Capacity Assessment
- Partner with departments in identifying hazardous conditions and proactively remediate
- Streamline City hiring practices

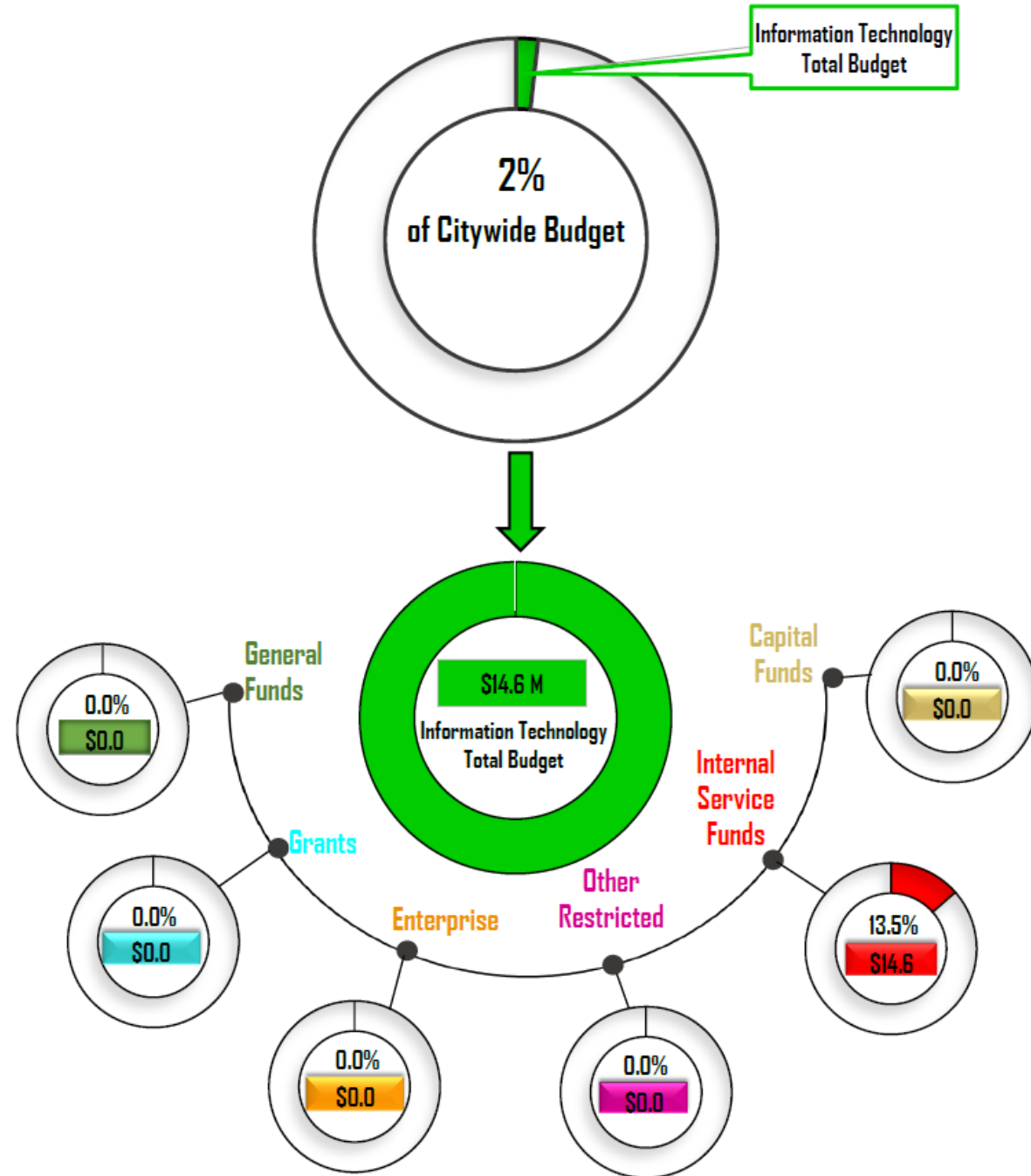
Information Technology



Information Technology Organizational Chart



Information Technology



Information Technology

Highlights

- Implemented New VOIP Phone System
- Implemented Cityworks Asset Management System
- Implemented ePlanceck System, Additional Online Permits, and eCheck Payments
- Upgraded City's Budgeting System
- Supported Telework Workforce

Information Technology

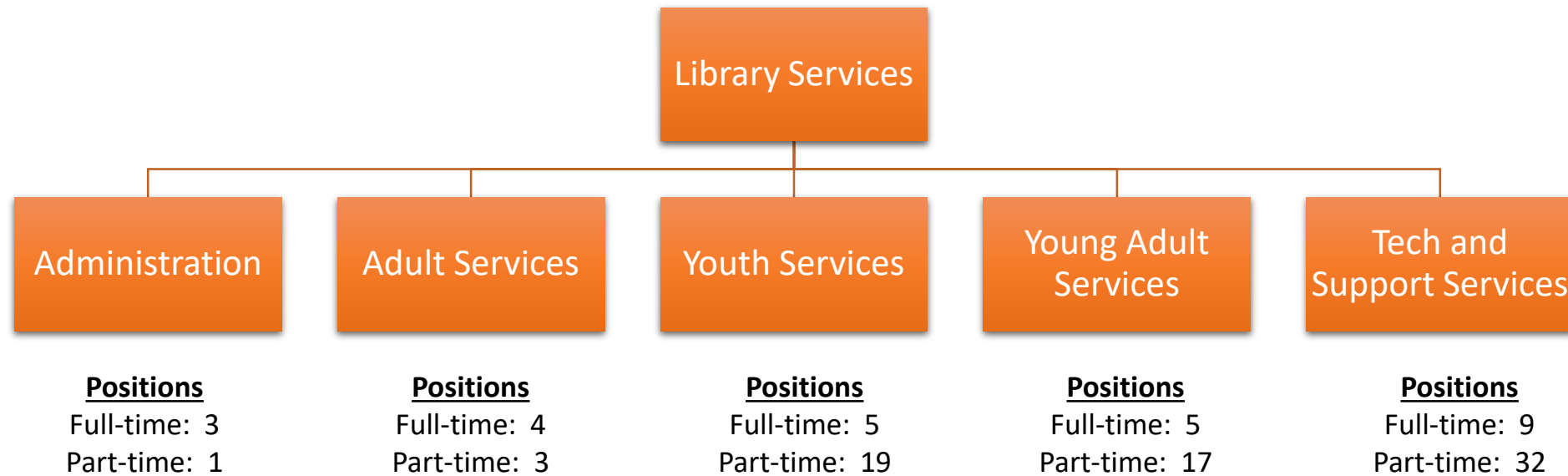
Goals

- Begin LMS Replacement Project
- Implement New Business Tax System
- Implement New Dog Licensing System
- Complete Salary Matrix Replacement Project
- Release RFI/RFP For Potential Broadband Public-Private-Partnership

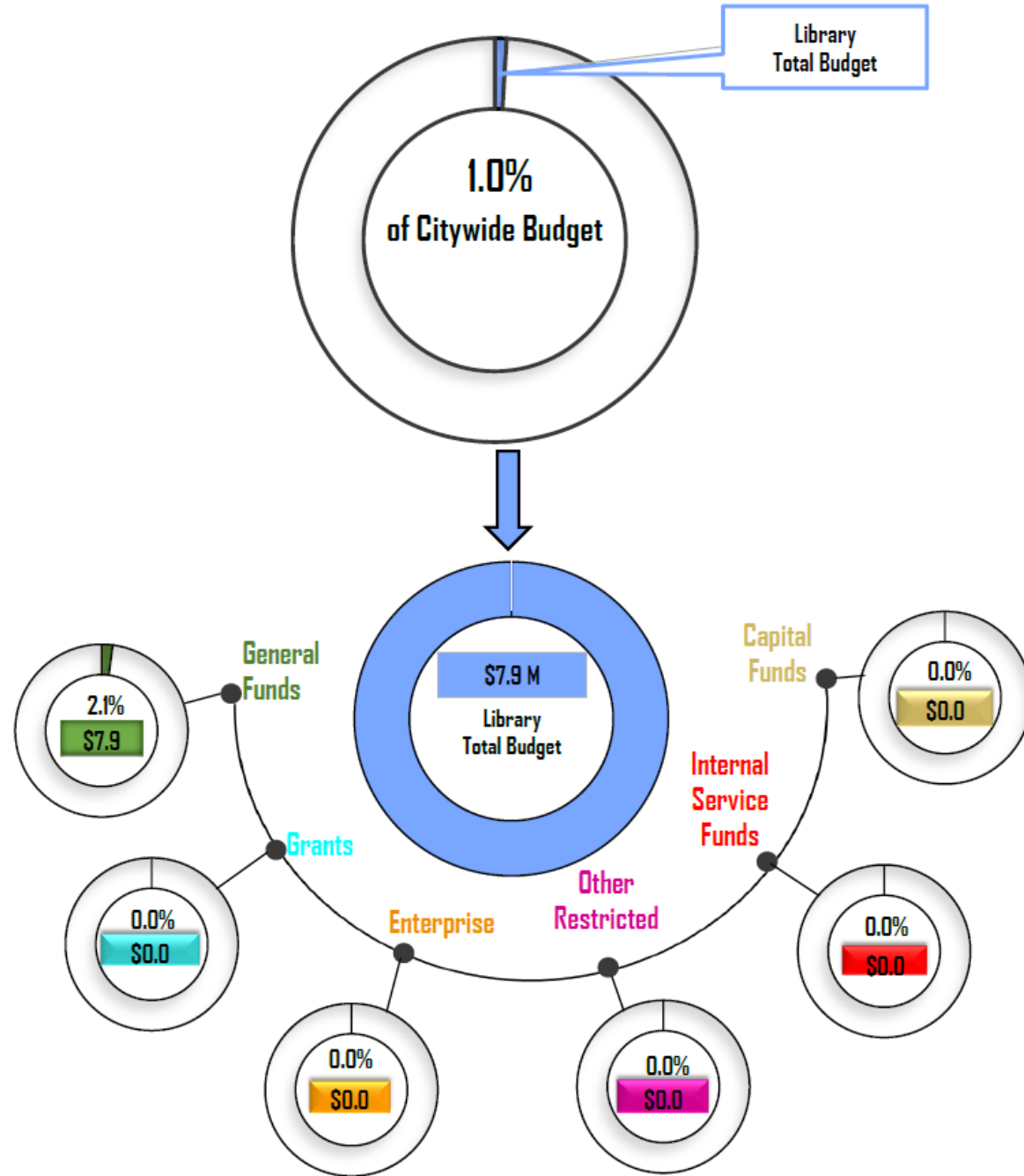
Library Services



Library Services Department Organizational Chart



Library Services Department



Library Services Department

Highlights


- Pivoted the Department's entire public program to offer all library services virtually or through contact free methods during COVID-19. This includes expanded virtual e-book offerings, online assistance for veterans and job seekers along with increased access to live homework help via Zoom.
- The Newhope Library became a full service library with expanded hours, new furniture, a media lab and a variety of exterior improvements.
- Expanded the wireless hotspot lending program by adding 200 additional devices in FY 20/21 to better serve youth populations without internet access.
- Implemented the Career Online High School program that now has 6 adult residents enrolled and on track to earn a high school diploma by summer of 2022.

Goals

Library Services Department

- Fully reopen the Central and Newhope libraries and return to normal operations after COVID-19.
- Explore opportunities to modernize library spaces and expand overall service hours to provide more inviting facilities and services.
- Bridge the digital divide through flexible self-service technologies such as laptop dispensing kiosks and library materials dispensing kiosks in key locations throughout the City to improve access to the public library and its services.
- Create additional partnerships with local schools/districts and provide onsite bookmobile service to schools throughout the community.
- Focus on expanding access and equity by removing barriers such as overdue fines and fees for checking out certain library materials.

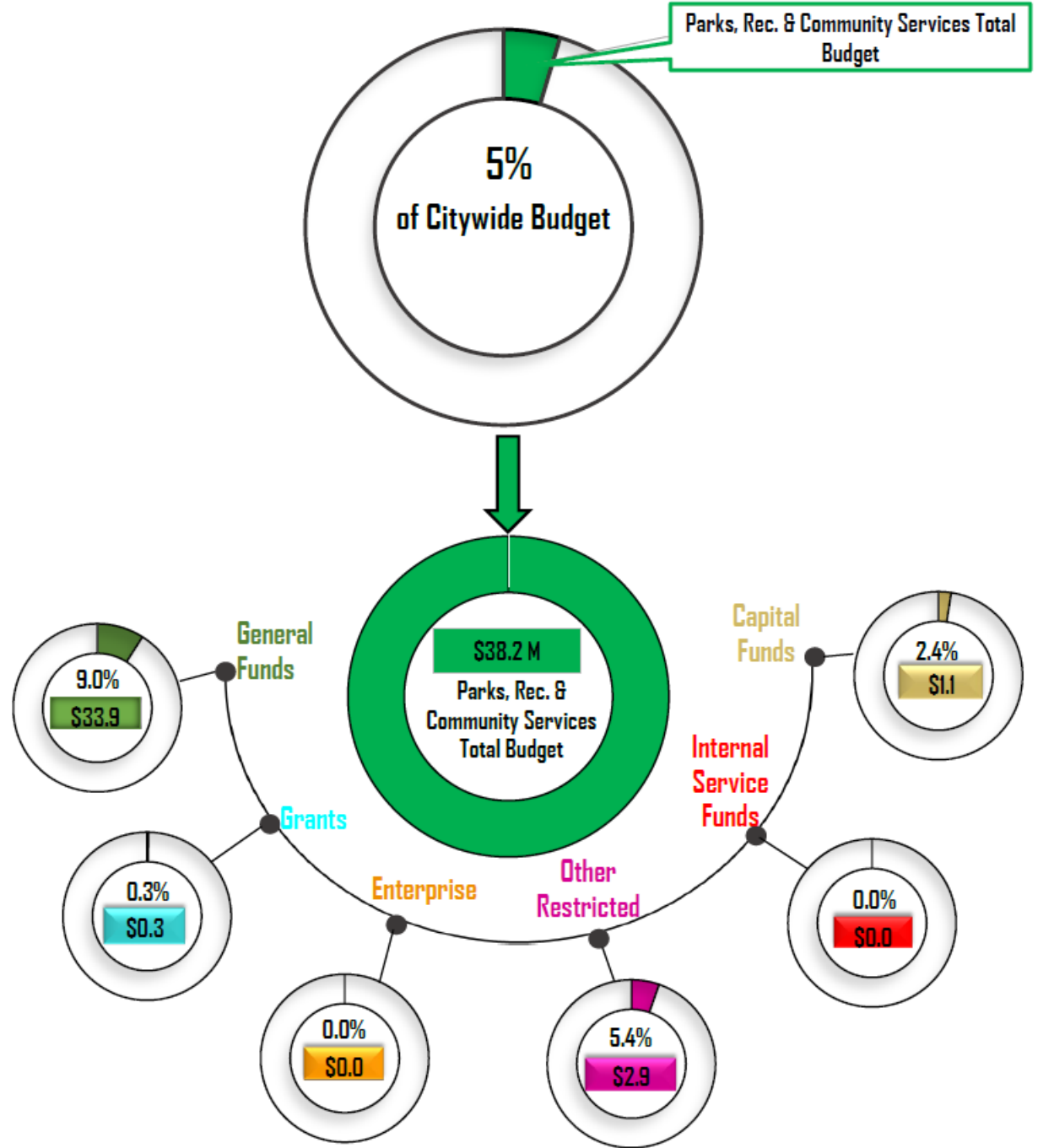
Parks, Recreation and Community Services Agency



Parks, Recreation and Community Services Agency Organizational Chart



Parks, Recreation and Community Services Agency



Highlights

PARKS, RECREATION AND COMMUNITY SERVICES AGENCY

- Completed Service and Financial Sustainability Study
- Completed Senior Center Renovations
- Implemented COVID-19 Vaccination Centers
- Installed New Park Amenities

Goals

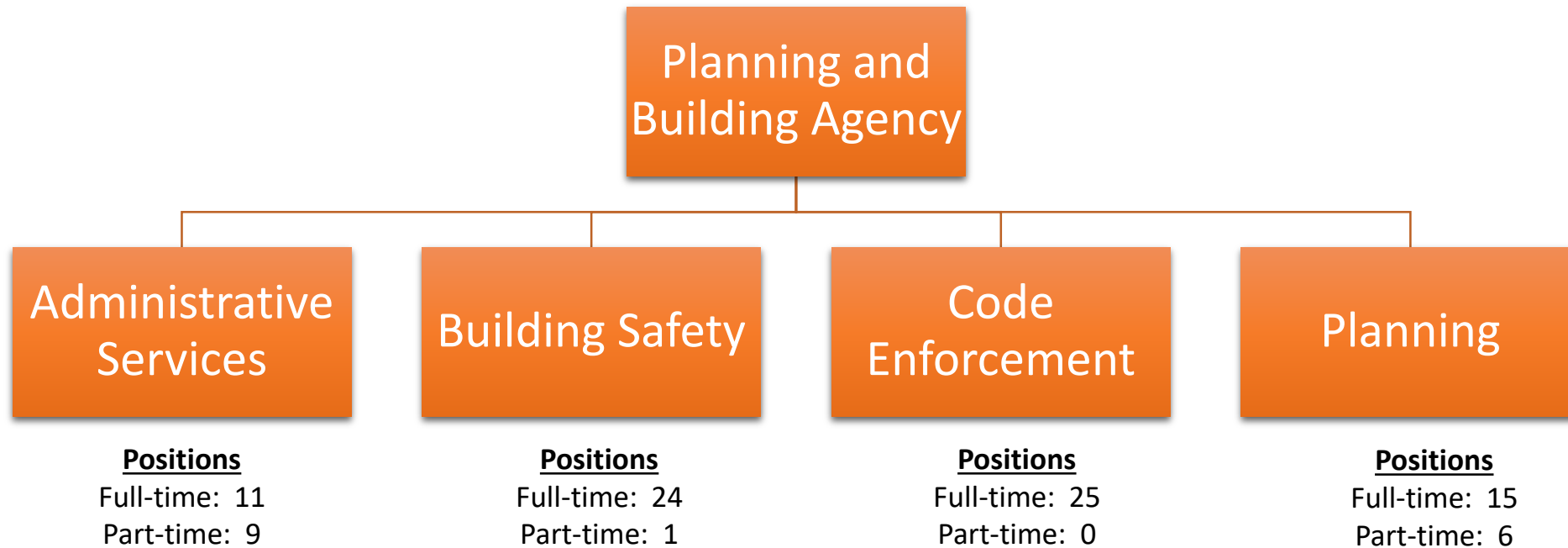
PARKS, RECREATION AND COMMUNITY SERVICES AGENCY

- Complete the Parks, Facilities, Trails & Open Space Master Plan Process
- Construct New Parks and Maintain Parks, Facilities, Trails and Open Spaces
- Implement New Athletic Field and Special Event Permit Process
- Expand Youth Programs and Services

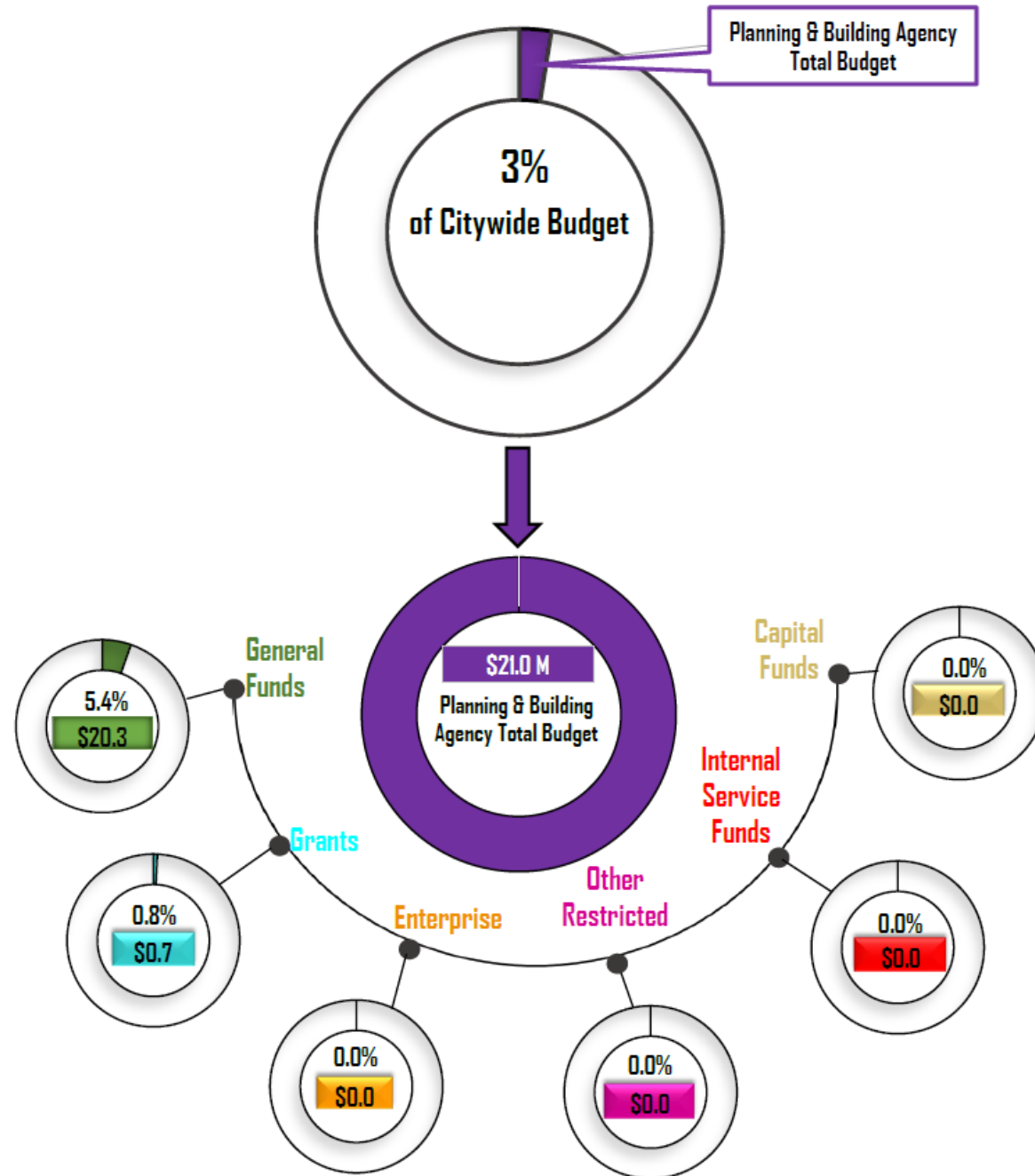
Planning and Building Agency



Planning and Building Agency Organizational Chart



Planning & Building Agency



Planning and Building Agency

Highlights

- **Continuing Operations & Services During COVID Closures**

PBA services deemed essential under the Governor's stay at home order were successfully maintained under a continuity of operations and service plan developed by the Department, allowing the City to continue providing entitlement, permitting, inspection, and enforcement services addressing community demands and maintaining a safe work environment for City staff.

- **Facilitating the Local Economy & Business Resiliency**

A Guide for retail and food establishments to operate in compliance with the Governor's stay at home order was developed by PBA in coordination with CDA, and was implemented under an Executive Order issued by the City Manager. The Guide enabled many retail and food service businesses in Santa Ana to sustain and survive economic challenges throughout this continuing pandemic.

- **Defending the City Against RHNA Challenges**

Under the leadership of the City Manager and working closely with the SCAG staff, PBA successfully defended the City against appeals filed by four Orange County Cities challenging SCAG's RHNA allocation of housing units allocated to the City for the 2021-2029 RHNA planning cycle.

- **Facilitating Major Development Projects**

PBA issued over 5,200 permits with a total valuation of over \$353 million. These figures are consistent with the previous year. The Department also facilitated the entitlement of major projects such as Amazon last mile facility on Grand, One Broadway Plaza, Third & Broadway, Northgate Market Site, Central Pointe, The Bowery, and Westview Affordable Housing Project.

- **Streamlining & Moving to a Digital Environment**

PBA, PWA & IT worked collaboratively and acquired Avolve, a paperless e-Plan & document review and approval software, enabling the City to interact, review, and approve construction and development plans digitally. This measure helped to streamline the permitting process and to reduce submission costs for the applicant. This team is also working to implement a GIS-based process that will enable planning, building, finance, and engineering functions to process, manage, and approve development projects in a digital environment further streamlining the development process and allowing the City to better interact with customers in a digital environment and on the web.

Goals

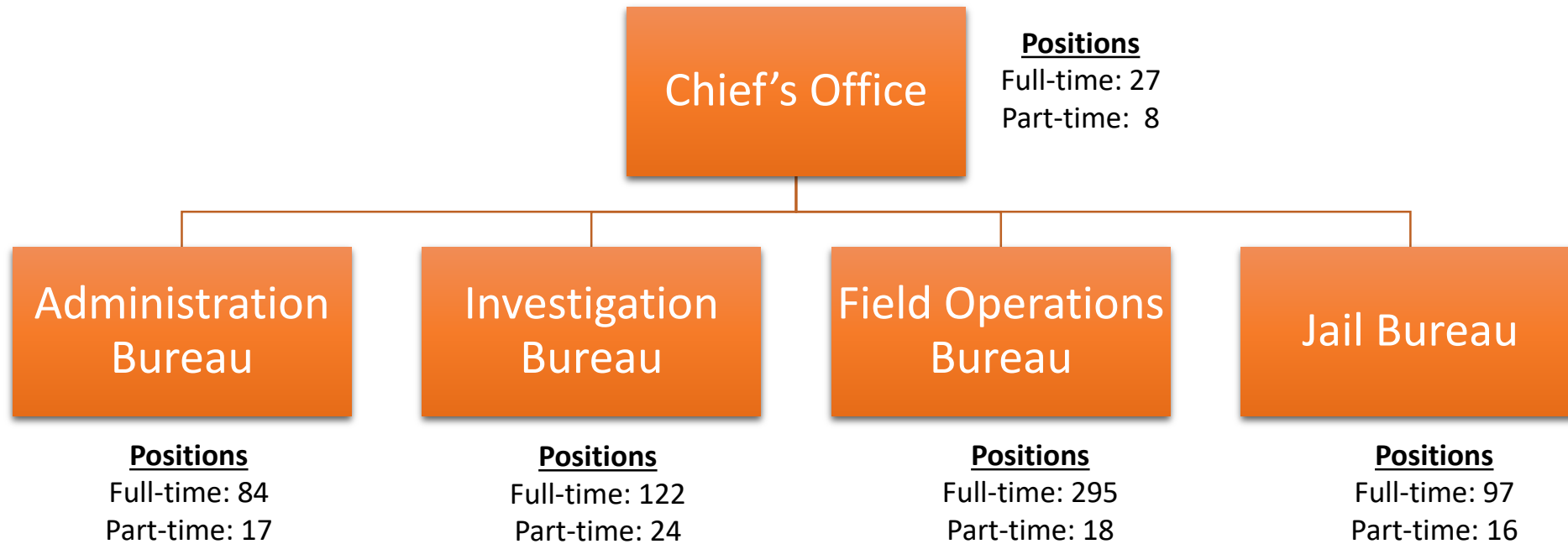
Planning and Building Agency

- Implement an electronic records management system and migrate to a new land management system to streamline the permitting process and to improve the customer experience on the web and in person.
- Strengthen Code and Cannabis staffing and resources to address community inquiries and concerns and to preserve and improve the quality of life that City residents have come to expect.
- Enhance Building staffing and resources to meet public demands for Building services at the counter and to facilitate permit issuance and inspection requests timely.
- Complete a Building seismic inventory and assessment to identify and develop a plan to address seismic retrofitting of structures within the City for improving public safety and economic resiliency in case of a natural disaster.
- Complete the General Plan Update, including the Housing Element, and launch Phase 1 of the Zoning Code Update.

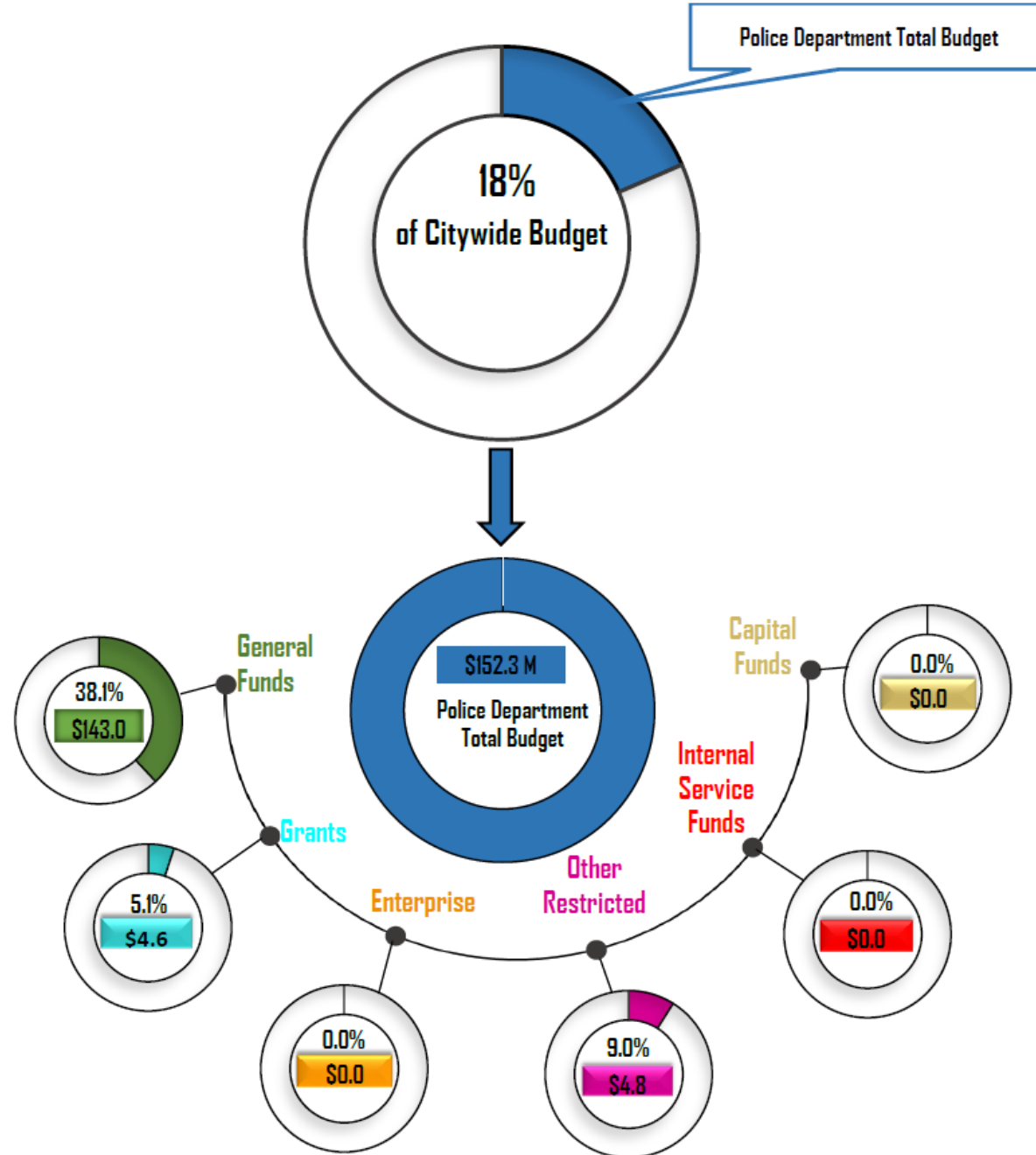
Police Department



Police Department Organizational Chart



Police Department



Police Department

Highlights

- Reduced response times for Priority 1 calls from 7:28 to 5:02 (33%)
- Increased Community Engagement Programs from 75 to 114 (52%)
- In spite of the pandemic, police department staff continued its focus on community engagement events and meetings to include safe, CDC compliant micro-events
- Increased proactive policing measures which have led to a 71% increase in firearms seized
- Increased the number of Officers assigned to Homeless Outreach and Engagement from five to ten (100%)

Police Department

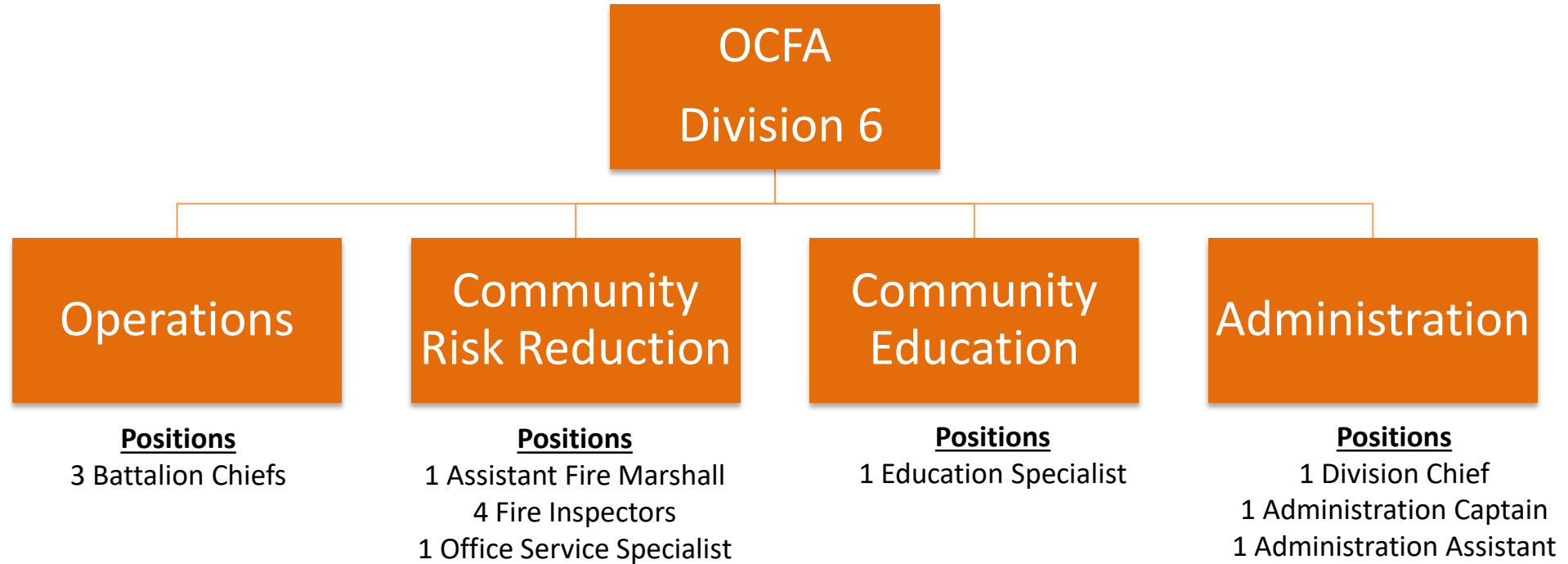
Goals

- Complete Calls for Service Policy Analysis that was initiated in FY 20/21, and complete a community satisfaction survey
- Continue to focus on the Department's dual policing strategy of community oriented and traditional policing models to respond, mitigate and prevent crime and continue community relations investment
- Explore second PAAL Center on the east side of the City, and expand the Police Department Explorer program by 10%
- Incorporate the Six Pillars of 21st Century Policing into current policing practices, and further expand de-escalation training, tactical communication training, and mental health crisis intervention training
- Continue implementation of New Sergeant Orientation Training and Jail Supervisor Training; and continue to seek out leadership training opportunities for sworn and professional staff to minimize liability exposure

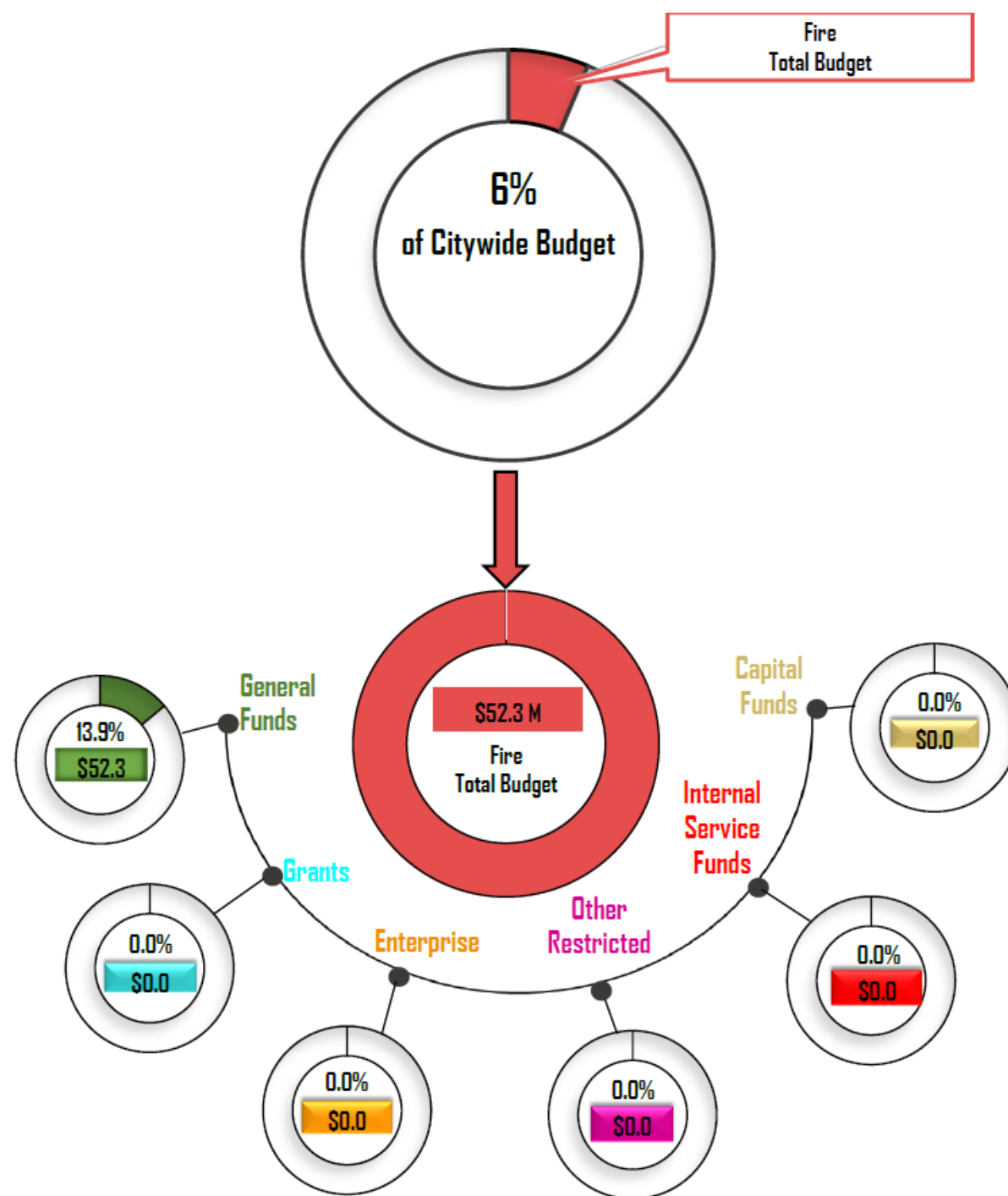
Orange County Fire Authority



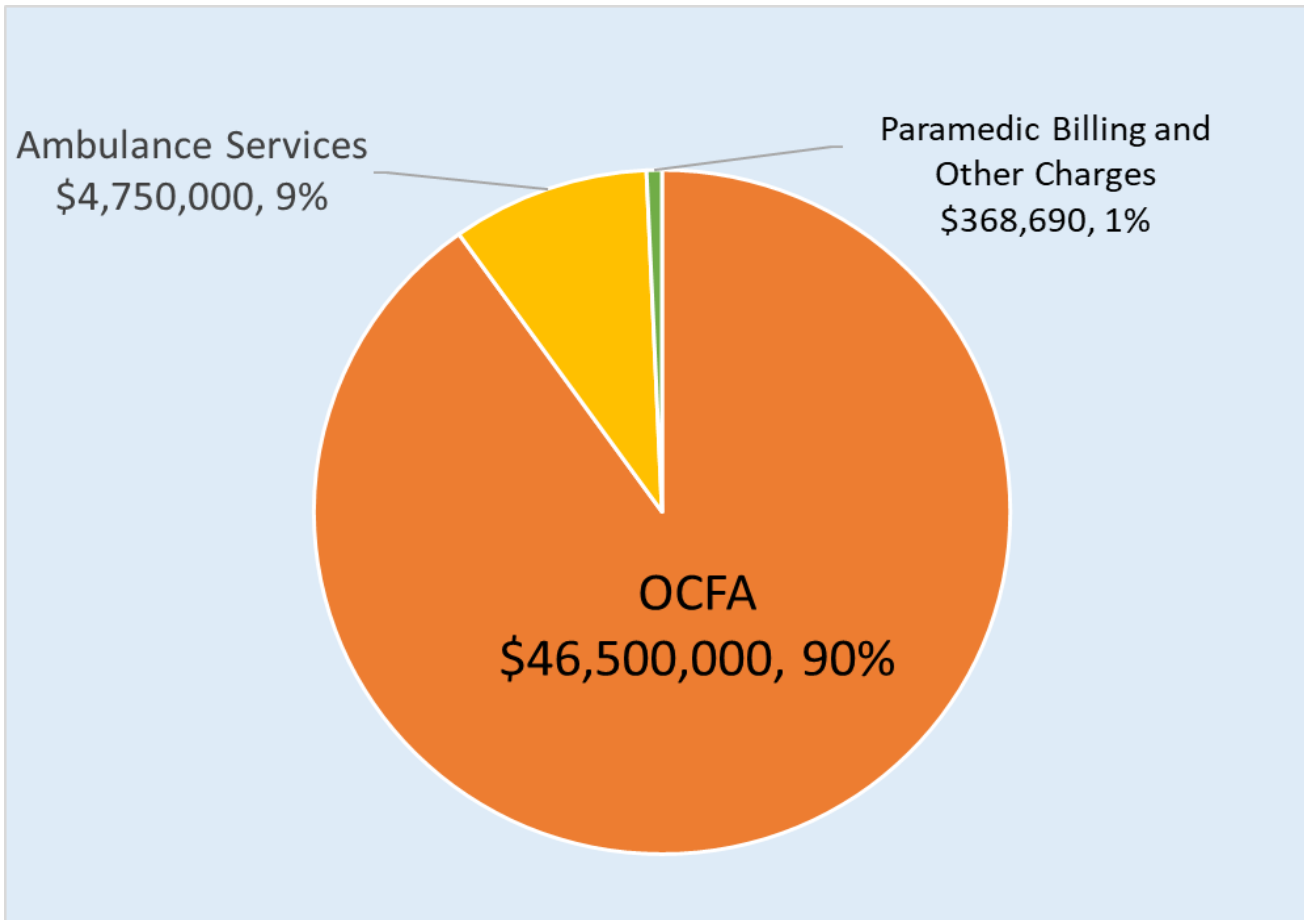
Orange County Fire Authority Organizational Chart



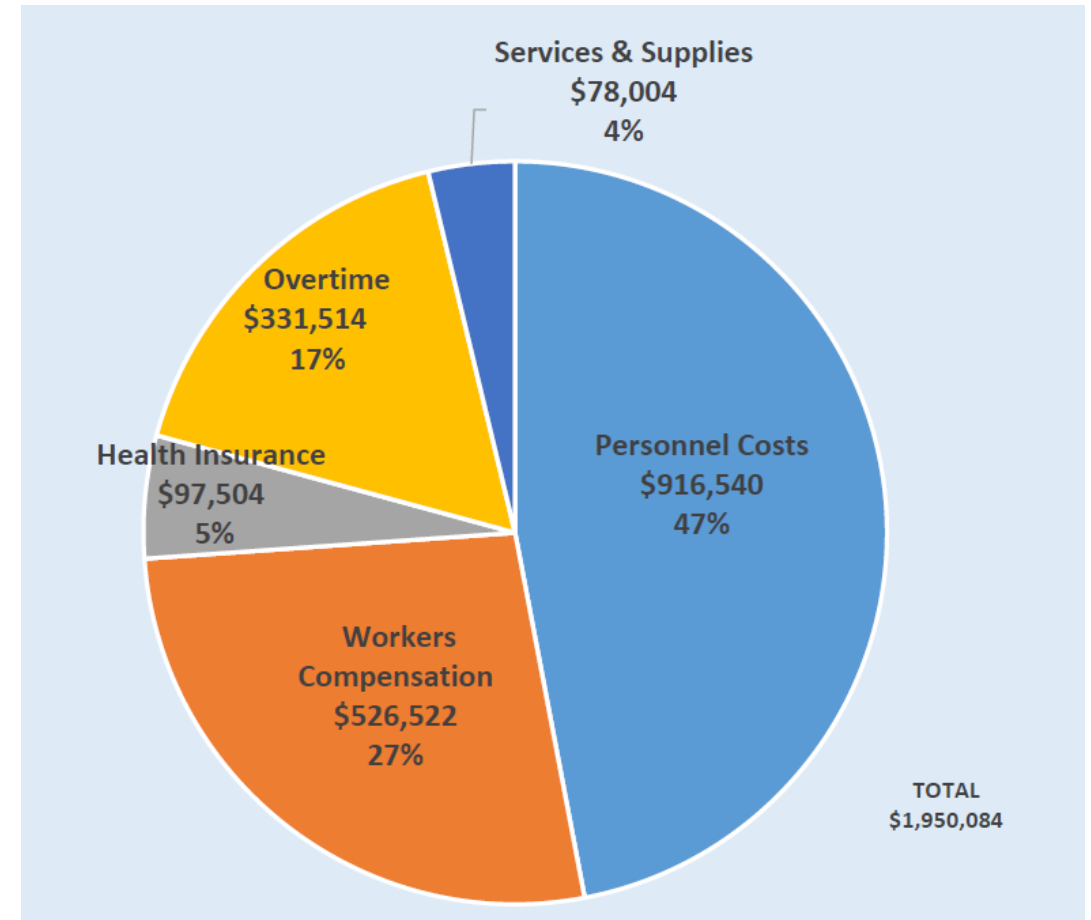
Fire Services: Orange County Fire Authority, Ambulance and Related Billing



Breakdown of City's Fire Services Budget \$51.6M



Breakdown of OCFA Budget Increase Resulting in Estimated 4.5% Santa Ana Service Charge Increase

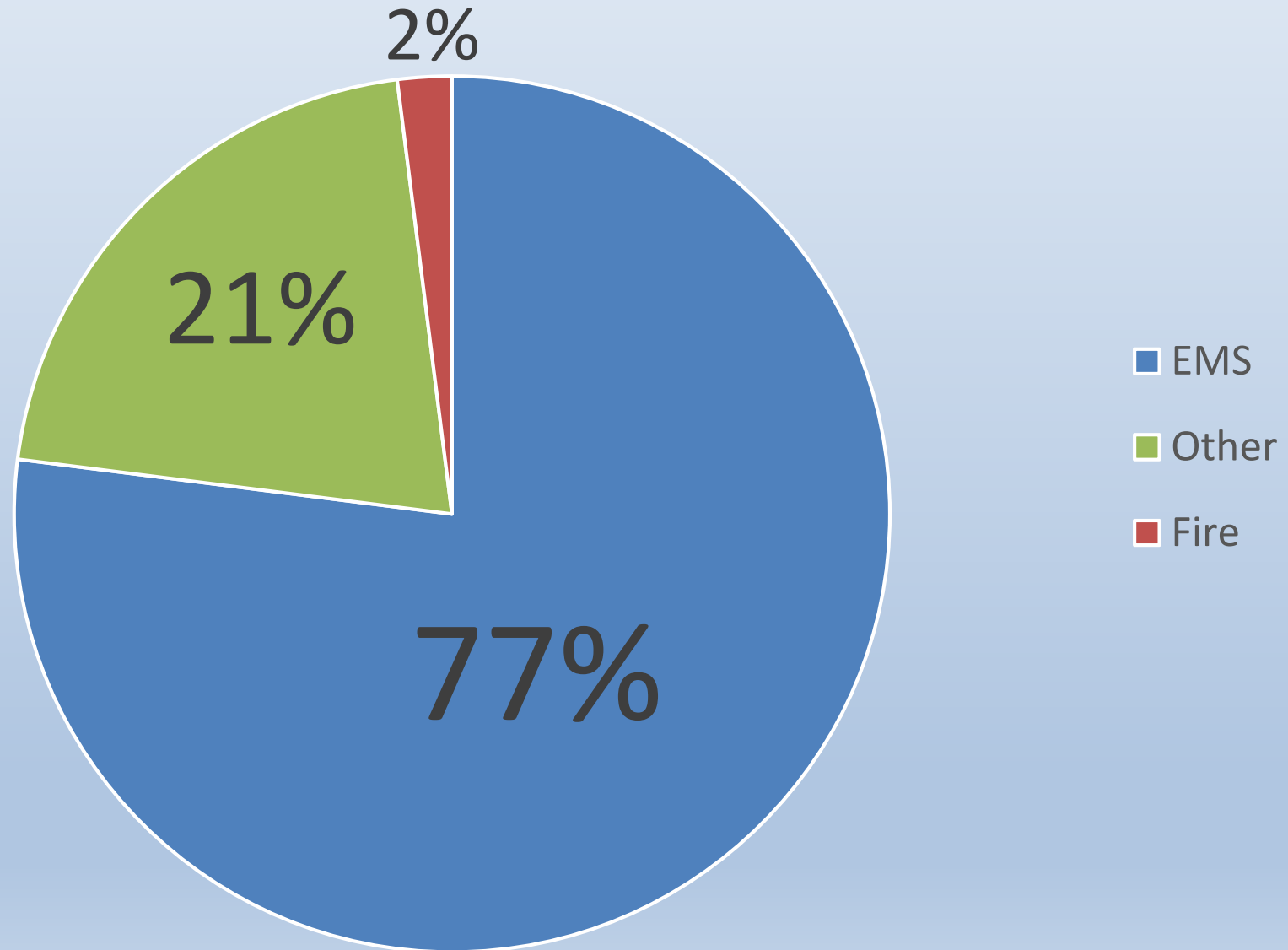


OCFA DIVISION 6

Highlights

- COVID-19 Pandemic Response
- 34,000 Calls for Service in Santa Ana
 - Accounts for nearly 25% of all OCFA Service Calls
- 70 Community Outreach Events
 - Santa Ana had at least 15% more community outreach events than all other OCFA cities last year.
- Partnership with Law Enforcement during multiple civil unrest events in 2020/2021
- Three large wildfires in Orange County
 - Silverado, Blue Ridge and Bond Fires

2020 Fire Call Statistics



Other Includes: Cancelled, Ruptures, Hazardous Conditions, Service Calls, Good Intent, False Alarms, and Miscellaneous Calls

OCFA DIVISION 6

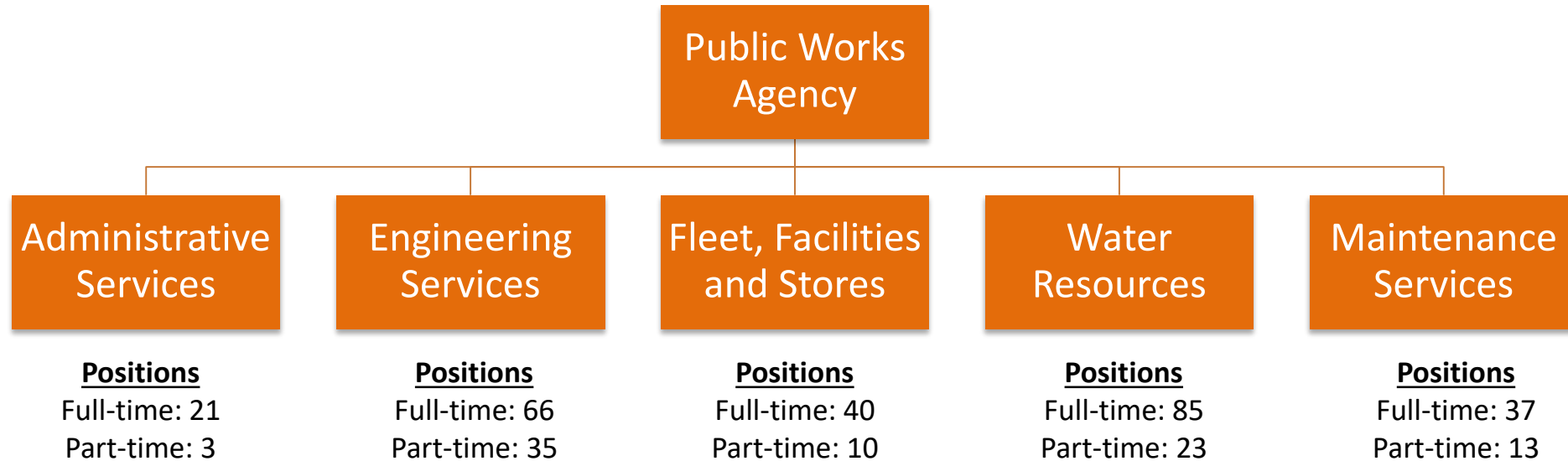
Goals

- **COVID-19 Vaccination Efforts**
 - Santa Ana College POD – 100K + Vaccinated so far
- **Expanded Cadet Program**
 - Providing greater opportunities to local youth
- **OCFA Diversity, Equity & Inclusion Coordinator Recruitment**
- **Continued partnership with Law Enforcement**
 - Work towards reducing transient-related activity in the community (34% increase in Homeless Fires in 2020)
- **Continued Community Outreach through Education**
 - Reduce the impacts of fire, drowning, and other public safety issues

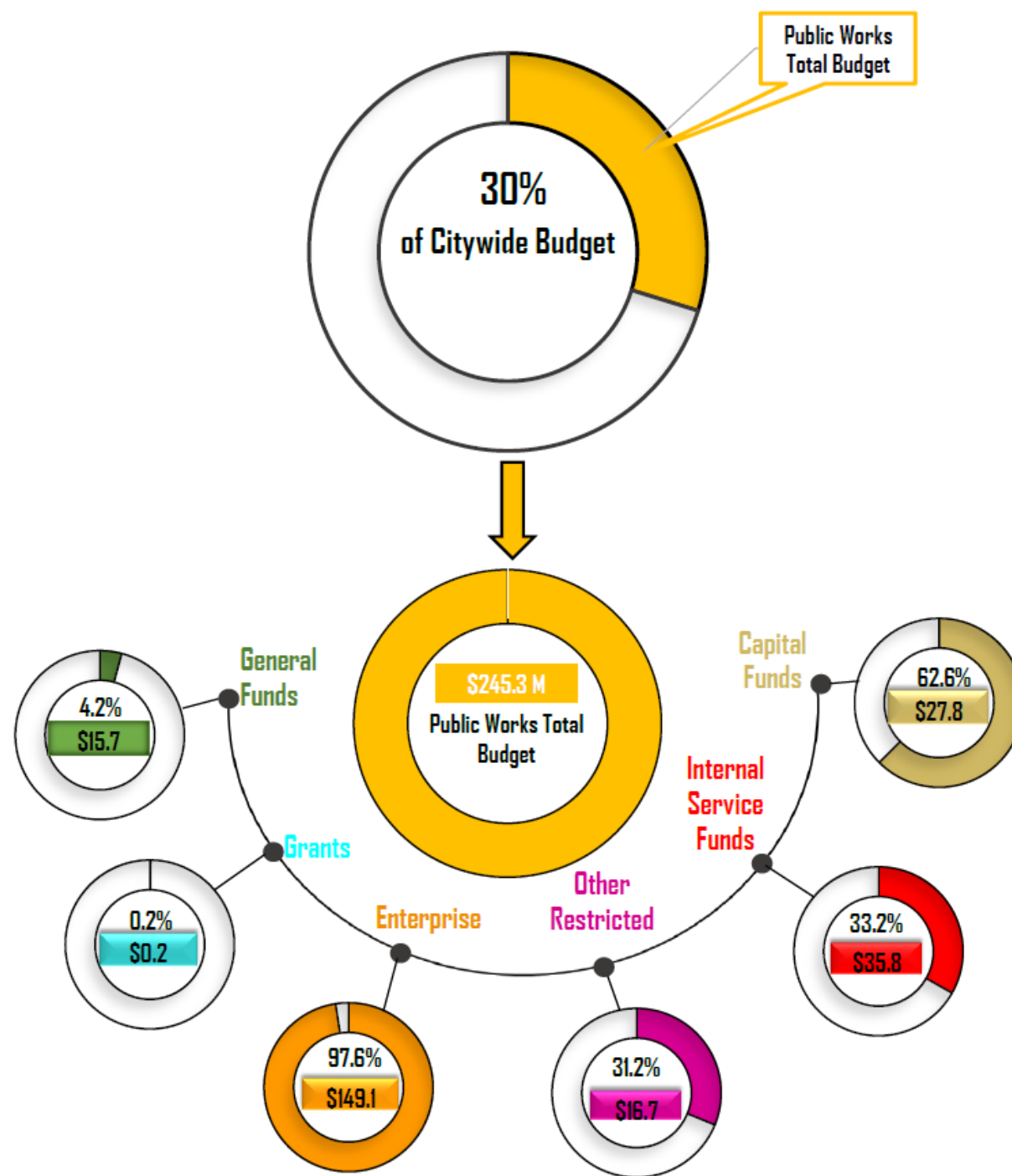
Public Works Agency



Public Works Agency Organizational Chart



Public Works Agency



FY 21-22 Proposed Capital Improvement Plan - Total \$57.4M

Municipal Facilities \$9,565,720



\$1,100,000
Dog Park



\$156,000
Santa Anita Synthetic Turf & Shade



\$5,343,520
Splash Pads



\$818,000
Stadium Synthetic Turf



\$1,118,200
Sports Lighting & Facilities



\$1,030,000
Bus Shelters



Public Utility/Drainage Improvements \$23,372,000



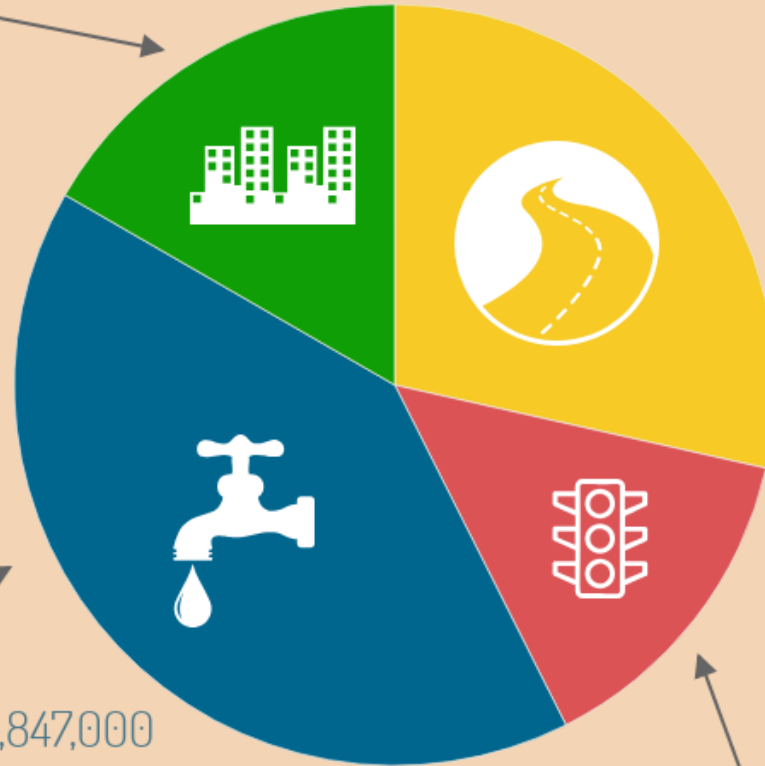
\$3,847,000
Sewer Infrastructure



\$15,495,000
Water Infrastructure



\$400,000
Storm Water Channel Fencing



Street Improvements \$16,348,802



Traffic & Safety Improvements \$8,065,665

Public Works Agency

Highlights

- Administrative Services - Absorbed the project billing and quarterly reporting function for the Capital Improvement Projects.
- Engineering Services - Re-organized the Division to improve effectiveness, efficiencies, and responsiveness.
- Fleet, Facilities and Stores - Completed major facility remodels, repairs, and replacements throughout the City.
- Water Resources - Initiated Advanced Meter Infrastructure Project (Santa Ana Smart Meter Program).
- Maintenance Services - Expedited sidewalk concrete replacement totaling \$1.4M at over 1,060 locations in 12 neighborhoods throughout the six Council wards.

Public Works Agency

Goals

- Implement a comprehensive street design program which considers other infrastructure needs such as water, sewer, streetlights, signage and sidewalks during the project design phase.
- Require all infrastructure CIP projects to include safety features such as fencing, more durable traffic safety controls for bike lanes, anti-graffiti coatings on street signs, and enhanced, colored hardscape in lieu of asphalt surfaces.
- Begin assessment and consolidation of completed infrastructure plans (Water, Sewer, Storm Drain, Street Trees, Traffic Signals, Pavement Management) into a agency-wide comprehensive master plan.
- Complete a standardized, scheduled Facility Assessment for all City facilities to develop a 10-year facilities CIP plan.
- Improve pothole repair service to 48-hour response time by utilizing and marketing the City's MySantaAna App.
- Implement improved technology to manage the water distribution system and enhance customer service.

Public Works Agency

Clean City Initiatives

Current Efforts

- Homeless Services Clean-Up Coordination
- Illegal Dumping Removal Services from Streets and Sidewalks
- Graffiti Removal Services with 100% Color Matching
- Weed Abatement Services on Streets/Sidewalks
- Street Sweeping including Weekly Residential and Arterial Service
- Bus Shelter Cleaning Service

Public Works Agency

Clean City Initiatives

Proposed Enhancements Through New Solid Waste Contract

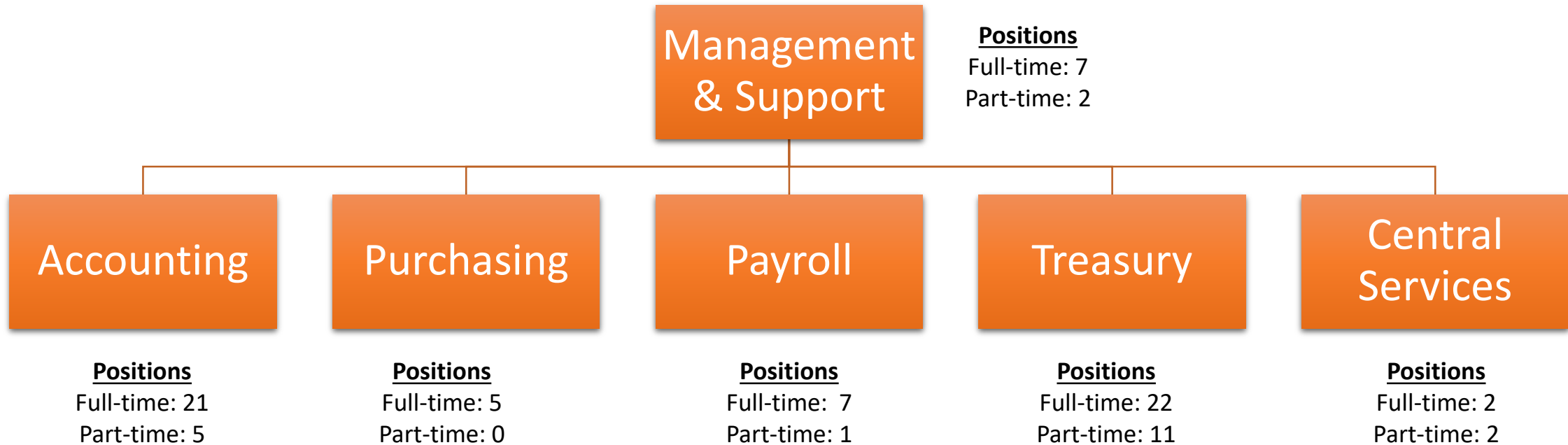
- Site-specific litter cleaning and bulky item removal - proactive and on-call.
- Right-of-way trash container service and cleaning (250 City-wide).
- Require solid waste hauler to receive and respond to service requests submitted through the City work order app (mySantaAna).
- Sidewalk litter and debris cleaning service (hardscape).
- Sidewalk power washing.
- Porter service.
- Washing and sanitizing of all bins once per year upon customer request.
- Clean business initiative.
- Weekly alley cleaning.
- Increase multi-family bulky item pickup.

Staggered Deployment
Beginning July 1, 2022

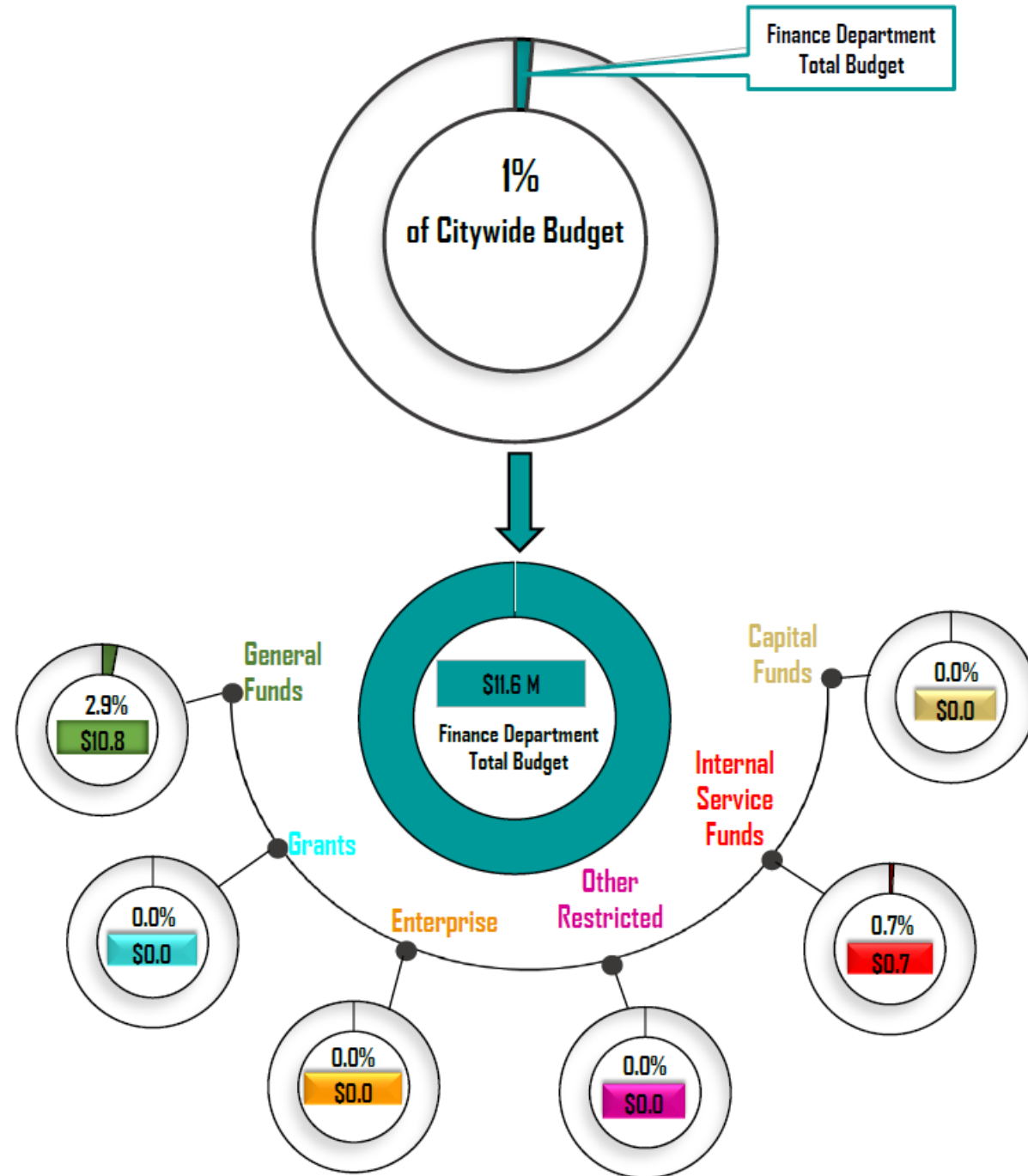
Finance & Management Services Agency



Finance & Management Services Agency Organizational Chart



Finance & Management Services Agency



Finance & Management Services Agency

Highlights



- **COMMUNITY SAFETY:** Organized and facilitated compliant spending and reporting for federal CARES Act allocation.



- **FINANCIAL STABILITY:**

- Developed a plan, and assembled a team via competitive process, to refinance the City's pension debt and save money.
- Continual improvements to the internal budget process, including moving away from incremental budgeting.



- **EFFICIENT CITY SERVICES:**

- Continued progress to implement new water billing software and eliminate the Salary Matrix.
- Implemented new Open Book software to make financial records easily accessible on the City's website.

Finance & Management Services Agency

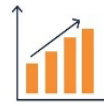
Goals



- **COMMUNITY SAFETY:** Organize and facilitate compliant spending and reporting for federal ARPA allocation.



- **FINANCIAL STABILITY:**
 - Complete the pension debt refinancing.
 - Support cross-departmental efforts to balance the budget.



- **ECONOMIC DIVERSIFICATION & EXPANSION:** Propose a November 2022 ballot measure to improve equitability for the Business Tax calculation.



- **EFFICIENT CITY SERVICES:** Continual process improvement, including multiple system upgrades.

Budget Options



**Proposed
Budget Ordinance
General Fund**

Revenue	\$ 340,944,200
Available Fund Balance	<u>13,031,574</u>
Total Estimated Resources	<u>\$ 353,975,774</u>
Expenditures	329,113,180
Transfers Out	<u>24,703,590</u>
Total Proposed Spending	<u>\$ 353,816,770</u>
Resources less Spending	<u><u>\$ 159,004</u></u>

OPTION A

Option A with a part-time Vietnamese Community Liaison

Estimated resources less proposed spending	\$159,004
Postpone Charter Amendments	660,000
Increase Legal Defense Fund	(100,000)
Sponsor local Arts & Culture events	(100,000)
Vietnamese Community Liaison	(60,000)
Option A Reduced use of Fund Balance	\$559,004

OPTION B

Option B with a full-time Vietnamese Community Liaison

Estimated resources less proposed spending	\$159,004
Postpone Charter Amendments	660,000
Increase Legal Defense Fund	(100,000)
Sponsor local Arts & Culture events	(100,000)
Vietnamese Community Liaison	(150,000)
Option B Reduced use of Fund Balance	\$469,004



Questions/ Comments