

CITY OF EMERYVILLE MEMORANDUM



TO: Mayor and City Council
FROM: Patrick D. O’Keeffe, City Manager
SUBJECT: Progress Report –December 2011

The following provides the City Council and staff with a summary of the activities of each department for the prior month.

CITY MANAGER

- At a special December 6th City Council meeting, the City Clerk swore in the newly elected City Councilmembers as well as the new Mayor and Vice Mayor. A small reception to welcome the newly elected City Councilmembers Jac Asher, Ruth Atkin, and Nora Davis and recognize departed City Councilmember Ken Bukowski was held just prior to the special meeting.
- The last week of December brought the devastating news that the State Supreme Court had made an adverse decision regarding the State legislation to abolish redevelopment agencies (RDA’s). The Court upheld the State’s legislation to abolish redevelopment, but struck down the legislation to allow an alternative form of redevelopment to be established. As a result, our RDA will have to cease operations on February 1st and the \$110 million of assets of the RDA (land, bonds and cash) will have to be disposed of. This will halt public projects such as the SouthBayFront pedestrian bike bridge, and Arts Center, as well as economic development projects such the new retail project on Site B at Bay Street. Our affordable housing projects are also threatened by the loss of revenue that will result from this decision. The total amount of redevelopment funds that flow to our RDA each year (approximately \$30 million) now exceeds our General Fund revenue (approximately 28 million), so this decision will have a major impact on the City’s plans for capital improvements and on the City organization. We do not feel that the majority of the legislature intended to kill redevelopment completely when it passed the legislation that was challenged in court. Pursuant to City Council direction, we are working with our State legislators to support legislation to delay the February 1st dissolution date to allow time for the legislature to consider subsequent legislation that would allow redevelopment to continue in a more

limited form focused on State policies such as affordable housing and in-fill development.

- Staff has determined that the Center for Community Life Project is for enough along and obligated by agreements with the school district (EUSD), that we can continue to design and implement this project utilizing the \$25 million in redevelopment bonds that have been set aside to pay for the City's share of the facilities. We believe that the Sate court decision on redevelopment will not threaten this project and we should continue to move forward to meet the deadlines that have been imposed by the EUSD bond financing to have the first phase of the facility completed within three years.
- The City Manager continued to meet with city departments in December (Community Services) to explain the Center for Community Life project and answer general questions about city operations. All departments except Police are now complete for this 2011 round of employee meetings with the City Manager (Police has been delayed due to the impending move of the department back to the renovated Powell Street police station). The next round of meetings with employees for 2012 will commence in January with a discussion of the impacts to staffing and operations that will result from the dissolution of the redevelopment agency.
- At a December meeting of the City Council, the Council approved a schedule for the preparation and consideration of the next two year operating budget, which will commence with a special Council meeting to discuss the vision for the community. This is particularly relevant with the completion of the new General Plan during the current two year budget and the potential loss of redevelopment. The vision session will be open to the public and will occur on February 28th, starting at 5:30 pm in the Council Chambers. The department heads started meeting in December to discuss the proposed structure and content of the vision session which will be brought to the Council for approval in January.
- Staff attended an Urban Land Institute conference in S.F. that focused on real estate trends for 2012. This is particularly important to our real estate tax income stream. Industry experts predict new development will be focused primarily on apartments, with some office starting back up as the economy slowly starts to generate jobs again. Hotel occupancy and revenues from room rate increases are expected to continue to improve, although this will not translate into new hotel development in the immediate future.
- The new version of the Associated Community Action Program (ACAP) Board of Directors met in December to provide direction for the continued wind down of operations including litigation initiated by the former Executive Director and the status of grants that were received by the organization before its demise.

- The City Manager provides an orientation to all new employees to discuss the history of the community, the top priorities of the City Council for improving the quality of life, and to set expectations and standards for employee responsiveness to the residents and businesses we serve. An emphasis is placed on treating our residents/businesses as clients and customers and maintaining and strengthening the high approval and satisfaction ratings our surveys have demonstrated over the past five years. The number of orientations has dropped significantly due to the Council hiring freeze imposed during the past two years, but continue for essential positions that are approved for re-filling. In December orientations were held for three new Community Services employees (two in ECDC).
- Due to the resignation of Planning Commissioner Art Hoff, there is an unscheduled vacant position on the Planning Commission for a term ending June 30, 2012. The City Clerk's Office posted an unscheduled vacancy notice on the City's bulletin boards, in the ENEWS, on ETV-Channel 27, and the City's government cable access television station. Staff will request that the City Council make a new appointment to the Planning Commission at the February 7th City Council meeting.
- Staff has been working on developing a City profile to submit to the Strong Cities initiative of the League of California Cities. The profile will provide a showcase for the City – including a narrative of what makes Emeryville unique, including recent success stories, such as the Emeryville Greenway. There are numerous cities statewide that have participated in this program and the East Bay Division of the League is pressing for 100% participation within its division. This information will be used for the public and the State legislature to show the importance of local government services and projects to the quality of life for the State.
- The December 13th ENEWS, the City's electronic newsletter announced the selection by the City Council of a new Mayor and Vice Mayor; announced an unscheduled vacancy on the Planning Commission due to the resignation of Art Hoff; had information on the City's financial status; had articles about the 5-1-1 countywide social service hotline and where to donate or receive free food and household goods in Emeryville; and announced that the Emeryville Child Development Center was accepting applications for enrollment. The December 26th ENEWS was a special Holiday Greetings to the community with no featured articles. Interested community members can read the electronic newsletter on-line from the City's website: www.emeryville.org or subscribe and have the newsletter sent directly to their email address. Information on how to subscribe/unsubscribe is listed at the bottom of each ENEWS. As of December 30, the ENEWS has 936 individual subscribers and is also sent to the Park Avenue Neighborhood Association (PANA), Oliver Lofts, Key Route Lofts e-trees, all City employees, and is posted on the City's website homepage.