

CITY OF REDLANDS
MEASURE T CITIZENS' OVERSIGHT COMMITTEE
Special Meeting Minutes
June 3, 2024

2nd Floor-Conference Room, Citrus Center at 300 East State Street, Redlands, California

Present:

Committee Members

Toni Momberger, Chairwoman
Scott Welsh, Vice Chairman
Ruth Cook, Secretary
Brooke Doolittle
Edward Millican

Staff

Danielle Garcia
James Garland
Valerie Abrego

Absent/Excused: Edward Ico, Reggie Brown

A. ATTENDANCE & CALL TO ORDER

The meeting was called to order at 3:05 PM. Chairperson Momberger thanked and welcomed everyone for attending.

B. PUBLIC COMMENT

No public comments.

C. APPROVAL OF MINUTES

The April 9, 2024 Measure T Meeting minutes were approved. Motion was made by Edward Millican and seconded by Ruth Cook.

D. NEW BUSINESS

a. Presentation of the City Manager's Proposed Budget-Measure T for Fiscal Years 2024-2025 and 2025-26 (Management Services Director Garcia)

Director Garcia presented a review of the City Manager's proposed budget for the next two fiscal years, 2024-25 and 2025-26. The presentation included a recap of committee accomplishments, spending highlights of the current budget year, and detailed budget plans for the next two years.

Garcia highlighted the opening of Project Home Key, a project for homeless individuals which has 99 units fully occupied by approximately 103 people. The effectiveness of the project was evident in the Point in Time Homelessness Count which showed the count of homeless individuals has decreased by about a third. She commented that this

positive trend is noteworthy and reflects efforts to address homelessness in the community. During the current budget cycle, the city also successfully concluded negotiations with all nine bargaining units. These agreements represent a major accomplishment and establish working conditions, salaries, and benefits for the next three years. The city has also seen revenue increases from investment income and franchise fees. She explained that the city conservatively budgets for this category of revenue and that franchise fees from Spectrum, Frontier, Southern California Gas and Southern California Edison represent the largest variance in revenue. Momberger asked a question about the franchise fees, and it was reported that these fees are not the largest single source of revenue but they have the most variability. Property taxes are the largest single source of revenue. However, if regular sales tax and Measure T money were combined, it would be more than the property tax. Garcia led a discussion on the impact of inflation and spending on the city budget.

The city has added several key personnel, particularly in HR and animal services and some notable purchases include investments in public safety equipment and capital improvements. Garcia specifically mentioned funds were allocated for replacing fire station bay doors and that a significant amount of money was transferred from the city's reserves to fund the design and construction of Safety Hall.

The city received a substantial Encampment Resolution Grant of \$4.5 million from the state of California. This is a multi-year grant to be used to fund two limited-term positions and sponsor services for beds, both short-term and long-term, in collaboration with nonprofits and hoteliers. She explained that this grant is separate from other funding sources and won't burden the city with property-related costs.

Garcia explained some revenue assumptions for the upcoming budget years. First, the economy is in a period of high inflation and high interest rates that are expected to continue in the short term. Employment figures are good but inflation remains really high. Redlands has better employment numbers than the county average and historically has had stable property tax revenue as well. Sales tax revenue is expected to a bit lower and flatten over time. Finally, the investment income and franchise fees are always budgeted conservatively.

An overview of the council's budget priorities was provided as the information might impact the discussion on the alignment to Measure T expenditures. These priorities include the animal shelter, police department staffing, the new police facility, a sustainability coordinator, efforts related to housing in rural areas, downtown parking, the aging infrastructure of the city, homelessness, parking improvement and code enforcement. Garcia explained that many of these priorities fit within the Measure T spending parameters, but some do not. Some of the noteworthy expenditures that do fit are the funding of four police officers and a sergeant, a sustainability coordinator, aging infrastructure replacement, better service levels for recreation, vehicles and equipment for police and fire, and augmented code enforcement.

Garcia explained that much of the focus for 2025 is the addition of city staff. She described the actual numbers of staff including the five sworn positions in the police department (one sergeant and four officers) that will be dedicated to homelessness solutions and support services. Another focus is on decreasing the level of homelessness within the city which includes hiring a director, initiating Project Home Key and forming a task force to facilitate collaboration between various departments and outside partners. Garcia continued with a detailed description of the 2024-2025 budget items and how they are tied to some of the Measure T priorities. These included ADA ramp replacement and sidewalk repair, additional programming for the community and senior centers, a fire station remodel, and tree trimming.

Garcia discussed the highlights of the staffing provided by Measure T funds; these positions are within the police, fire, library, recreation and maintenance departments. Another positive is the capital improvement project for Texona Park. This will include lightning, facilities and ground improvements. Other parks within the city will also have budgeted improvements into the 2025-26 year. Additionally, recreational programs will be supported such as the Christmas parade and other special events. The planned renovation of the former Kmart building into the city's Safety Hall is part of the upcoming budgets as well. Garcia wrapped up the budget presentation and discussed the committee's recommendations related to Measure T funding and the budget. She also explained the schedule for the committee for the remainder of the year and that some of the spots on the committee would have new representation, specifically Brooke Doolittle and Reggie Brown. The committee will likely meet again in February 2025 once the review of the audit financials for the 2023-24 budget has been completed.

With the presentation complete, the discussion was open for questions. Edward Millican asked if the committee could get a copy of the council budget priorities for the upcoming budget. Garcia indicated that they would get them from the minutes of the council meeting and email them to the committee. Millican also had a question about the budget item related to the downtown gateway and programs. Garcia explained that these are improvements to the on and off ramps throughout the city; it includes landscaping and lighting replacements and improvements. Momberger had a question about the Project Homekey lawsuit and if it might affect the project and involve any money from Measure T funding. Garcia explained that it was a legal issue and she had limited information about it. Momberger also had questions about the Citrus Center and a budget item related to increased EMS transfer to cover expanded fire staffing. She asked if this was essentially Measure T money going to support staff raises. Garcia explained that the fire staff raises and coverage of EMS training costs also involved the hiring of three engineer positions. Momberger was concerned that this issue was breaking a promise to voters that Measure T funds would not be used for staff raises. Momberger explained that while she fully supports the concept of supporting staff to obtain their EMS certifications, she is worried that it does not fit into the Measure T funding promises. A

discussion surrounded the topic of if this fit within the Measure T parameters and Garcia explained how the addition of the engineers did increase the cost of salaries but also adds to the level of service. The committee generally agreed that this was a positive for the department and that having more staff who were EMS qualified was good for the city and the department.

Momberger had a question about the unfunded projects and needs found within a section of the budget that details the initial wants and needs of the various departments. Projects that are not being funded include the design and engineering of a new fire station and animal shelter. Her concern was that these projects will not be completed but yet they fall within the parameters of possible funding by Measure T monies. Momberger expressed concern that the majority of Measure T funds would be consumed with staffing costs instead of the one-time expenditures that the city also needs to finance. Garcia explained a few points related to the animal shelter project that included a large donation to provide temporary expansion to the dog portion, and the procurement of various grants to help with the ultimate large expansion project that will cost about 4.5 million. The design and engineering of the fire station was put on hold during the current budget year but it will be reviewed in spring 2025 and hopefully added with savings from this year. When the design and engineering plans are begun, it is critical that the additional expenses for a fire station are also planned and projected within the budget. Momberger questioned the funding of traffic signal cabinets with Measure T funding and Garcia explained that it is part of the road infrastructure which fits within Measure T funding parameters. Garcia gave a brief summary of some of the traffic improvements that are being put in place and planned. The committee did not have an issue with the traffic improvements. This concluded the discussion and questions around the budget.

The committee agreed that they recommended the proposed budget while also concurring with the City Manager's concern over ongoing staffing costs. Additionally, the committee felt it was important to highlight the apparent effectiveness of the efforts to manage homelessness within the city. Chairwoman Momberger agreed to write the recommendation and present it to the city council with Vice Chairman Welsh.

b. Discussion and possible action relating to a recommendation to the City Council regarding the City Manager's Proposed Budget Measure T for Fiscal Years 2024-2025 and 2025-26 (Management Services Director Garcia)

A motion was made by Vice Chairman Scott Welsh and seconded by Commissioner Brooke Doolittle to recommend the city council adopt the proposed budget without amendment. All approved.

Additional comments were that the committee appears to be adhering to the original intent of Measure T, city staff has done a good job of outlining what is funded by Measure T, the effect of staffing costs may be higher and impact needed one-time expenditures, and money spent on homelessness appears to be effective.

c. Discussion and possible action relating to future meetings.

The committee expects to reconvene in February 2025 to receive a report on the 2024 fiscal audit.

Commissioner Millican recommended that the Measure T logo be adopted. This issue will be included on the next agenda.

E. ADJOURNMENT

The meeting adjourned at 4:47 PM

DRAFT