



Additional Documents List City Council Special Meeting May 25th, 2022

Item No.	Agenda Item Description	Distributor	Document
	Emailed Public Comment Received After Deadline (Posted 5/26/22) Closed Session: Item B Open Session: Item #1	Christina Muñoz, Deputy City Clerk	Attached are emailed public comment.
	Fiscal Year 2022-2023 Proposed Budget	Ken Louie, Interim Finance Director	PowerPoint Presentation

**Additional Public Comment
City Council Special Meeting
May 25th, 2022
(Posted 5/26/22)**

From: [Tim Ivison](#)
To: [City Council Public Comment](#)
Subject: Public Comment: May 25th Closed Session agenda item B
Date: Wednesday, May 25, 2022 11:59:45 AM

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Hello,

Please accept this as a written public comment for tonight's agenda, item B:

SB381 says in 54239.4(c): "surplus residential property shall be offered to the City of South Pasadena, as a housing-related entity, and then to another housing-related entity as follows..." which gives clear priority to the City first. This is unambiguous in the sense that there is no confusion as to whether "another housing-related entity" might have equal priority, or some such argument. Under current law, Friendship Baptist does not have equal footing, nor should they be afforded special consideration. This is precisely why a new regulation had to be cooked up.

It seems pretty clear that the regulation in question is aimed at preventing one single property from being subject to the priorities of SB381. In an effort to protect their deal and to end the lawsuit, the "offered but not sold" regulation clearly contradicts the letter and intent of the legislature to allow South Pasadena to have priority in the sales program. A regulation that contradicts the law should be repealed or invalidated. Additionally, you might even argue that it contradicts the Department's own statement in §1475 (b), that "Nothing in this chapter creates, expands, or confers any right or entitlement to purchase property that does not already exist in the law."

The "offered but not sold" regulation was not even required by or created in response to SB381 in any substantive sense. Caltrans admits as much in the Finding of Emergency for the new regulations. 1475(h) does not appear under the list of changes "required by SB381" on pages 2-5, but instead appears on page 8, under "changes impacting general provisions." So when Caltrans says that the Flores ruling makes it impossible for the City to have priority to purchase because current law must be applied to the case, they are not citing SB381, they are citing their own "general provision" regulation that happens to conveniently exempt 626 Prospect, the only 710 property in South Pasadena that was already in escrow but not sold in phase 1 sales.

According to the Finding of Emergency, the justification for the regulation is that it "clarifies the sales process." What it is really doing is "clarifying" the outcome of a lawsuit. Caltrans is acting as if they have the same powers as the legislature. They seem to think that they can write new regulations as a means to settle legal challenges, the same way that state legislation has been used to settle the issue of inflation adjusted pricing. During the Flores case, Caltrans tried to do something very similar. They reported to the CTC in January 2021 that they were re-writing 710 corridor regulations to *include* inflation adjusted pricing, at the very same time that it was being challenged in court. Caltrans should not be allowed to simply change their regulations to fit the case. The tactic is corrupt and they have used the OAL as an unwitting accomplice in their efforts. Caltrans is actively competing against the will of the legislature, regulation against law, in order to determine the rules they chose to follow.

I don't know exactly where we are with the lawsuit but this is just one of many instances where Caltrans is acting against the interests of the tenants and the cities in the 710 corridor. I would love to see the lawsuit continue and I think it is worthwhile to pursue options to settle the entire 710 sales program and to take it out of the hands of Caltrans. A consent decree may be the only way to do this, without a senator or assemblymember willing to confront the Department head-on.

Best,
Timothy Ivison, Caltrans tenant

From: [Alan Ehrlich](#)
To: [City Council Public Comment](#); [Armine Chaparyan](#); [City Clerk's Division](#); [Andrew Jared](#)
Subject: This is an illegal discussion
Date: Wednesday, May 25, 2022 8:58:11 PM

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What the council is discussing in regards to usage of Chevron legal settlement money for possible water related projects (or any other uses_ IS NOT ON THE AGENDA. The city attorney and city clerk have again failed to exercise control and oversight over the conduct of the meeting. This entire discussion is inappropriate and illegal, but I guess the four attorneys on the council would know that.

Alan



"Sunlight is said to be the best of disinfectants."

- Supreme Court Justice Louis Brandeis

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"Openness in government is essential to the functioning of a democracy."

International Federation of Professional & Technical Engineers, Local 21 v. Superior Court
California Supreme Court, 42 Cal.4th 319 (2007)

Fiscal Year 2022-2023 Proposed Budget

May 25, 2022 | 6:00 PM

City Council Special Budget Workshop

Prepared By: City of South Pasadena Finance Department

SOUTH PASADENA CITY HALL

“Transparency and Collaboration”

The Process

**January/February
2022:**

CIP Clean-up, Mid-Year Budget
Review and Budget calendar



March/April 2022:

Revenue Estimates,
Departmental submittals and City
Manager Review



June 2022:

City Council Budget Review and
Action – June 1
Adoption of Gann Limit
City Council Budget Review &
Action – June 15 (alt)



May 2022:

Department Meetings and Budget
Refinement, City Council 1-on-1
review sessions, two presentations
to Finance Commission

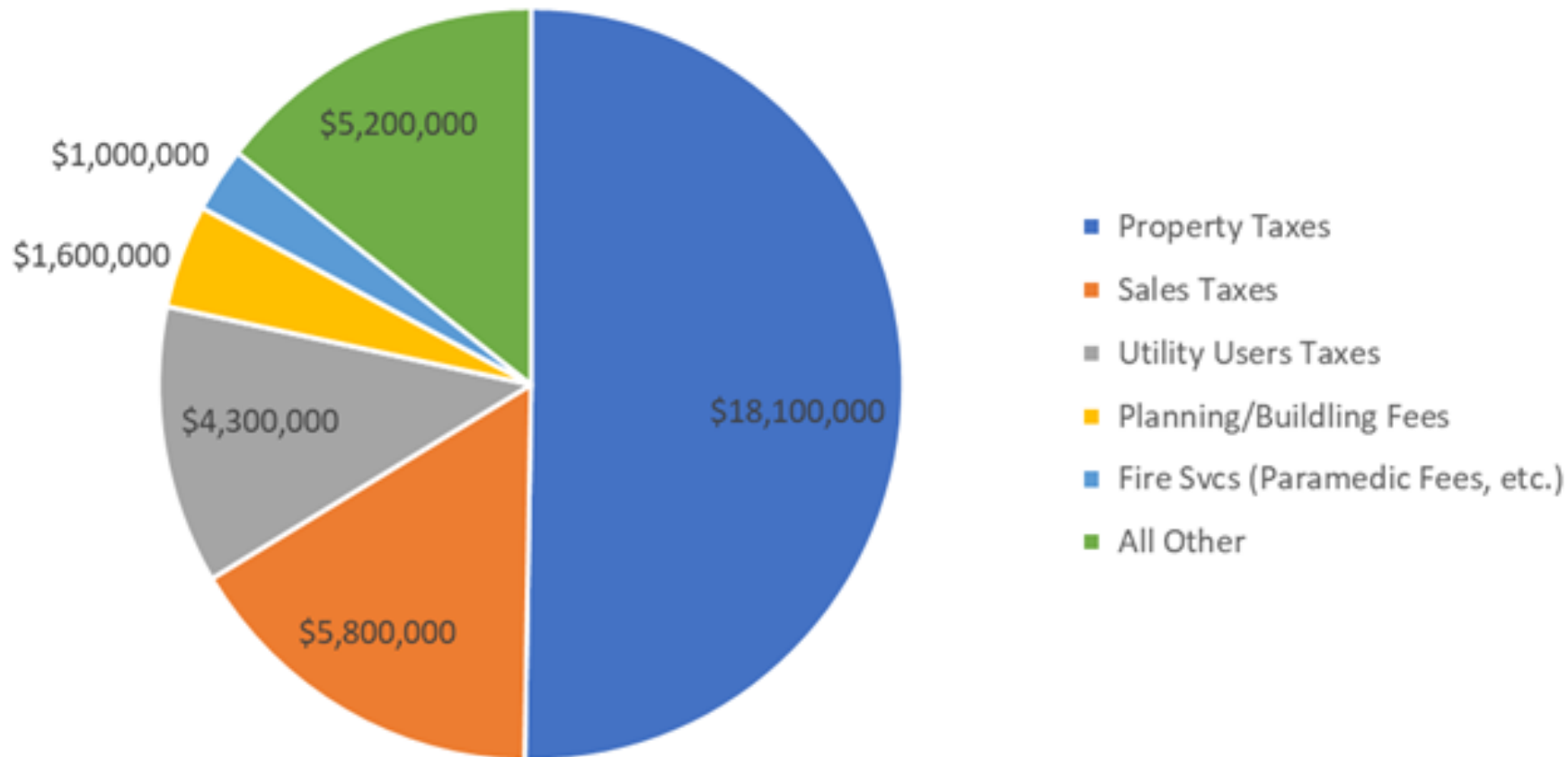
Proposed Budget and Audit
presentation at Special City Council
Meeting

Revenue Highlights

Property Tax	\$ 18.1
Sales Tax	5.9
Utility Users' Tax	4.3
Planning/Building Fees	1.6
All Others	<u>6.2</u>
Total	\$ 36.1

General Fund Top 5 Revenues

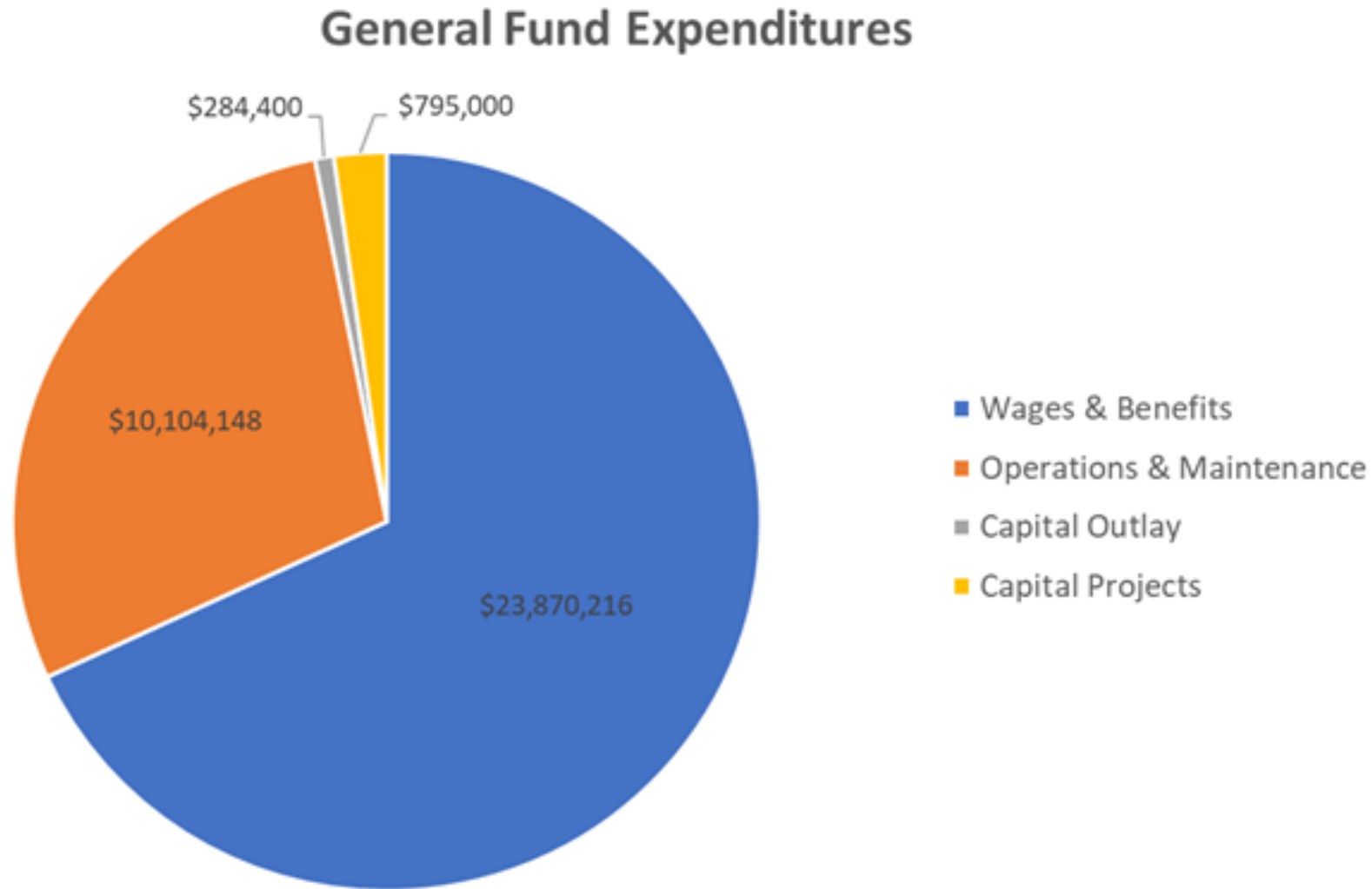
General Fund Top 5 Revenues



Expenditure Highlights

Labor costs	\$ 24,870,216
Maintenance & Operations	9,258,648
CIP contribution	1,133,483
Transfers out	383,079
Capital Outlay (Equipment)	<u>284,400</u>
Total	\$ 35,929,826

General Fund Expenditures



Coronavirus State and Local Fiscal Recovery Funds (SLFRF)

- \$6,059,235 Unrestricted Funds
- \$1,000,000 Spent in Emergency Equipment
- Council to fund projects
- Funds must be appropriated by December 2024 and expended by December 2026

Budget Requests

Library

- Position Changes
 - New Full-time Librarian
- Budgeted for workstations for Support Services Division
- Requesting SLFRF funding for a Library RFID Automated Materials Handling (AMH) system (\$160,000) for 23-24 Fiscal Year

Community Services

- Return of all Senior, Recreation events, classes, programs.
- Festival of Balloons/Fourth of July Fireworks Show and Event
- Construction of Berkshire and Grevelia Pocket Parks paid with Impact Fees and grants
- Requesting SLFRF funding for registration software (\$50,000)

Budget Requests, Continued

Fire

Requesting SLFRF Funding for apparatus/ambulance replacement:

- Air Quality Apparatus (\$600,000)
- Rescue Ambulance (\$250,000)
- Breathing Apparatus (\$150,000)

Management Services

- Funding for Phase II of Class and Comp Study
- Funding for City General Election (November)
- Funding for recruitment and employee engagement
- Return of Commissioner Congress program
- Requesting SLFRF funds for Technology/ IT Master Plan (\$100,000)

Budget Requests, Continued

Community Development

- Position Changes
 - New Senior Management Analyst focused on housing programs
 - New Part-Time Code Enforcement Officer for weekends/evenings
- Historical Residential Properties Survey (\$65,000)
- Convert 3 part-time positions into 1 full-time Planning Counter Tech

Public Works

- Position Changes
 - New Transportation Engineer
- Increase in tree planting budget to accelerate planting schedule
- Requesting SLFRF funds for replacement asphalt truck for street repairs (\$300,000)

Budget Requests, Continued

Police

Position Changes

- Unfreezing of Deputy Chief position
- Unfreezing of Officer position
- Continued exploration of fleet replacements
- Implementation of city-wide license plate reader
- Requesting SLFRF Funding for Electronic Control Device (ECD) replacement purchases (\$70,000)

Priority Project Highlights

- Water & Sewer Fund Direction
- Housing Element (Fund 278)
- Mental Health Programming allocation

Water Settlement Proceeds

- Shell Oil Company/ Dow Chemical Company settlement
- Water fund paid for construction and treatment
- Proceeds from the suit should return to the Water Fund to offset costs

Mental Health Pilot Program

The previously frozen Deputy Police Chief position reserved cost savings for a mental health pilot program.

- Unfreezing the Deputy position allocates funds to that position
- The Mental Health Program allocation carries forward in this proposed budget
- City Manager's Office and Police are working with San Gabriel Valley Council of Governments in launching the Mobile Mental Health Pilot Program early in the new fiscal year

General Fund Summary

General Fund

Beginning Balance 07/01/22	\$20,786,012
Revenues	36,129,935
Expenditures	<u>(35,929,826)</u>
Projected End Balance 6/30/23	\$20,986,121

Calculating Fund Balance

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- Revenues (FY 22-23) \$36,129,935
- Undesignated Fund Balance +SLFRF \$21,816,074
- Revenues/Undesignated Fund Balance 60%
- City Goal 30%

Other Considerations

1. Wish List- General Fund Items

- Items not funded
- Up for Discussion
- Seeking Direction

2. SLFRF Funding

3. MOU Negotiations

Wish List Items

- Skating Rink \$30,000
- Golf Course LED Lighting \$16,000

SLFRF Funding List Request

\$1M	Emergency Equipment
\$1M	Fire Apparatus/Ambulance
\$2M	CIP Projects
\$1.5-2M	Year 1- MOU Commitments (many cities are utilizing these funds in this capacity)
\$350,000	Public Works Electric Utility Truck
\$70,000	Police Electronic Control Device (ECD) Replacements
\$50,000	Community Services Technology
\$150,000	Engagement/Retention
\$50,000	Technology/ IT Master Plan

Finance Commission Review

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- The Finance Commission held two budget review sessions
- The Commission requested additional information on:
 - Legal invoice process
 - Police overtime
 - City's Insurance Fund/ Prism
- Monday, May 23- unanimous recommendation to City Council to consider adopting the proposed budget

Next Steps

- City Council and community to review the proposed budget and ask questions/ further refine
- June 1
 - Presentation to City Council on the Proposed Budget for Consideration
- June 15
 - Review of the Completed Audit (ACFR)
 - City Council consideration on Adopting the Proposed FY 22/23 Budget

QUESTIONS