

**City Manager's Weekly Report**  
**For the week ending August 22<sup>nd</sup>, 2008**

**1. Meeting Notes**

The next regular City Council meeting is scheduled for Tuesday, September 2<sup>nd</sup>. I hope that you are enjoying a restful month of August.

**2. State Budget News**

As you may know, the Governor announced this past week an "August Revise" of the State's proposed FY 2008-09 budget. The proposal includes additional cuts, new revenues in the form of a temporary sales tax increase, budget reform, and expansion of the rainy day fund as well as economic stimulus mechanisms.

The League of California Cities indicated their support for the Governor's statement that it is "unwise" and irresponsible to balance the budget by borrowing local government or transportation revenues. There was concern, however, about a proposal to divert redevelopment tax increment revenues for three years to relieve the State of its school funding obligations. Such redevelopment revenues are then not available for their necessary and intended purposes to eliminate blight, build sustainable neighborhoods, and support an economic recovery, all of which are critical to the City of Richmond.

In brief, the Governor proposes:

- **No borrowing** of city and county Proposition 1A or Prop. 42 funds;
- **Restoration of COPS (Police block grants) and Booking Fees** to the Governor's May revise level;
- **Three year Redevelopment ERAF** shift of 5 percent or \$225 million per year, whichever is greater;
- **Transit funding at essentially** the May revise level with additional revenues deposited in the general fund due to increased motor fuel tax collections;
- **Three year, 1 percent sales tax increase**, except for motor fuels. After three years, the sales tax would be reduced by 1.25 percent permanently, including the tax on motor fuels;
- **Major program reductions** (\$2 billion deeper than the Budget Conference Committee proposed) for a total of \$9 billion in reductions in base (or workload budget) spending below the previous year; and
- **Budget Reform** to strengthen various elements and expand the required size of the Prop. 58 reserve fund. In addition, the Governor would have mid-year budget reduction authority (up to 7 percent) when revenues decrease.

We will keep you informed as the saga continues.

**3. Target Store – Local Employment Update**

The new Richmond Target store opened for business on July 23<sup>rd</sup>, 2008 with a total of 287 staff, of which 156 (54%) are City of Richmond residents. Of the 287 staff, 150 were new hires and 137 were transfers from the El Cerrito store. Of the 150 new hires, 83 (55%) are Richmond residents. Hiring for the new store came under a First Source Agreement, and the City of Richmond's Local Employment ordinance sets a goal of 30% resident hiring for operational jobs, such as those at the new Target store.

Employment & Training staff assisted Target management with several recruitment and outreach efforts to ensure that Richmond residents interested in the retail industry had an opportunity for employment at the new Richmond store.

**4. Business Opportunity Mixer**

Sixty-three members of the Richmond business community learned about City, Redevelopment Agency, Port and Housing Authority business opportunities at a well attended Business Opportunity Mixer which was held this past Tuesday evening. The mixer was co-sponsored by the Employment and Training Department and Merriwether & Williams Insurance Services, which has been contracted by the City to provide a surety bond insurance program to benefit local contractors. The Finance Department outlined the business opportunities approved in the City's five year Capital Improvement Program budget and presented the BidsOnline™ vendor registration, quote and management system. Richmond Business Contractors were also given information on capacity building and bonding assistance, along with advance notice of upcoming contracting opportunities.

**5. Nystrom Revitalization (NURVE) Project Update**

I attended the West Contra Costa Unified School District Facilities Subcommittee meeting this past Tuesday, together with Management Analyst LaShonda Wilson, to provide the Subcommittee Members (Ramsey and Kronenborg) with an update, in tandem with WCCUSD staff, on the NURVE project. As you may recall, the MLK Community Center is now being conceptually planned as a joint use development, combining the School District's new multi-use room for Nystrom School with a new gymnasium and fitness center on the MLK Park to make a significant new community gathering point and recreation facility. The concept would include a joint use agreement between the City and the School District to maximize program activity at this new community center.

The purpose of the update was to make sure that the School Board Facilities Subcommittee members were both informed of, and supportive of, this joint use concept, which they were. There were additional discussions regarding the coordination of construction schedules and developing a comprehensive funding plan, both of which are currently in progress.

We will keep you informed regarding the progress on this project.

## 6. **Public Works Reports**

As of last Friday, the Public Works Department Equipment Services Division placed four new street sweepers in service, the purchase of which were previously authorized by the City Council. We expect that this equipment upgrade will improve street sweeping service reliability and effectiveness.

This past week, the Streets Division grinded and paved Kern Street from Clinton to McBryde. Next week, crews are scheduled to grind and pave Yuba from Solano to McBryde.

## 7. **Wastewater Refunding Bonds**

Finance Department staff members have begun preparing the necessary legal documents to refund the 2006B Wastewater Revenue Bonds. As you may recall from previous reports, the interest rate on these variable rate bonds have been resetting at higher than anticipated rates, due to credit downgrades of the various bond insurers. By refunding the bonds, and integrating a Letter of Credit from Union Bank of California, the weekly resets of these bonds should be significantly reduced from the most recent high level of 7%. The financing schedule calls for the bond refunding program to be reviewed by the City Council at its meeting of September 16<sup>th</sup>, with the bonds scheduled to be sold by October 8<sup>th</sup>.

## 8. **Recreation Highlights**

The Recreation Department reports the following significant recent activities:

- The Recreation Department received the donation of a DVD production of highlights from the US Youth Games, which will be uploaded to the City of Richmond web page.
- The Adult Softball League sponsored by the Recreation Department and the Social Security Administration has grown from 6 to 14 participating teams.
- Sharolyn Babb, who works in the Recreation Department with primary responsibility for DPRC, is the new staff liaison for the Shimada Commission. As one of her first responsibilities in this function, she recently assisted in coordinating a visit by Shimada Youth Delegates on a tour of the City and to Six Flags Discovery Kingdom.
- The Recreation Department is assisting the Commission on Aging with the upcoming Forum on Elder Abuse to be held at the Richmond Recreation Complex on September 9, 2008. Speakers from JFK Law School, Contra Costa County Aging Services and the Department of Corrections will be providing information during the Forum. The Recreation Department is also working with the Commission on Aging to update their manual and brochure.

9. **More Birds, Mosquitoes, and Squirrels Test Positive for West Nile Virus in Contra Costa County**

The City of Richmond frequently receives information from the Contra Costa Mosquito & Vector Control District (the District), and often receives inquiries from residents, regarding the West Nile virus. This past week, the District reported nine dead birds, one group of mosquitoes, and two squirrels that have tested positive for West Nile virus, with Antioch, Oakley, and Brentwood remaining high risk areas for West Nile virus infection.

In Contra Costa County to date this year, 36 dead birds, 15 groups of mosquitoes, and five squirrels have tested positive for West Nile virus. Twenty-six of those birds, 11 of the mosquito samples and all five squirrels have been from Antioch. So far, no human cases have been reported.

The Contra Costa Mosquito & Vector Control District has an excellent web site at [www.ccmvcd.dst.ca.us](http://www.ccmvcd.dst.ca.us) which provides information on their programs, including those dealing with West Nile virus.

10. **Web Site Fun Facts**

The following table reflects external search engine sites that refer internet users to [www.ci.richmond.ca.us](http://www.ci.richmond.ca.us). The table also reflects the growth in web site referrals from 2007 to 2008.

<b>Referrers July 2007 / 2008</b>			
	July 2007	July 2008	Percent
ABAG	844	1,287	+52.49
Ask.com	114	143	+25.44
Point Richmond	216	237	+9.72
Google	12,949	17,520	+35.30
Yahoo	4,026	4,251	+5.59