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DATE: March 11, 2021

TO: Members of the Measure X Citizens Oversight Committee

FROM: City Manager's Office

SUBJECT: **FY 2021-22 (YEAR 3) MEASURE X SPENDING PLAN AND UPDATED SEVEN YEAR PRELIMINARY EXPENDITURE PLAN**

**SYNOPSIS**

Staff recommends that the Measure X Citizens Oversight Committee (COC) endorse the FY 2021-22 (Year 3) Spending Plan (Attachment 1) and recommend approval to the City Council.

**BACKGROUND**

The role of the Measure X COC is to provide public review and comment on the City Manager's Measure X Spending Plan prior to City Council consideration of the City's annual budget. The Measure X Ordinance approved by the voters, codified as Chapter 34 of the Oceanside City Code, states:

"It is the intent that the Measure X funds be used to improve infrastructure and the delivery of public safety services and the plan (the "Measure X Spending Plan") shall reflect these priorities and include specific proposals for near term expenditures as well as a plan for expenditures throughout the seven (7) year term of the tax, and finance options for larger-scale projects that may require the pledge of Measure X revenues. After review and recommendation by the COC, the Measure X Spending Plan shall be presented to the City Council for its consideration and final decision, in its discretion, as part of the City's annual budget process." (34.6.16 B.)

Staff presented the FY 2020-21 (Year 2) Spending Plan to the Measure X COC on May 21, 2019. After questions and discussion, the COC voted unanimously (5-0, O'Harra and Gleisberg absent) to endorse the FY 2020-21 (Year 2) Spending Plan and recommend approval to the City Council. The City Council approved the FY 2020-21 (Year 2) Spending Plan and Preliminary Plan for Expenditures for Years 2-7 at the City Council Budget Hearing on June 3, 2020.

The approved Year 2 Spending Plan (Plan) includes the following components:

Improved Public Safety Services including Addressing Homelessness and providing for a new Fire Deployment Model	\$4,141,916
Improved Infrastructure	
Public Safety Infrastructure Projects	\$2,125,000
Street & Road Repairs/Improvements	\$3,500,000
Beaches/Beachfront/Pier/Parks	<u>\$3,000,000</u>
<b>TOTAL SPENDING PLAN FOR YEAR TWO</b>	<b>\$12,766,916</b>

City Council’s approval of the Spending Plan represents the second year of expenditure authority. Each year if actual expenditures come in lower than the budgeted amount, the funds will flow forward into the balance available for budgeting in the following years.

In December of 2020, the COC recommended the use of an additional \$49,825 in Measure X funds to complete the Police Department Facilities study, bringing the total spending plan for Year Two to \$12,816,741.

**Preliminary Plan for Expenditures for Years 3-7.** The Spending Plan also included a preliminary plan for expenditures for the seven-year duration of Measure X (through March 2026). This plan anticipates continuance of the public safety and homelessness programs throughout the duration of the Measure, including cost escalators where appropriate, and the completion of the infrastructure improvements initiated during years 1 and 2. The total cost to continue/complete these items was estimated at \$86,536,955.

Staff provided an update on implementation of the Year 2 Spending Plan to the COC and City Council on February 8, 2021 and that memo is attached to this report for reference (Attachment 3).

**ANALYSIS**

The City Manager developed the Years 1 and 2 Spending Plans in consultation with staff based on the priorities outlined in Measure X to improve public safety and infrastructure. To that end, the Years 1 and 2 Measure X Spending Plan focused on improved public safety services including programs to address homelessness, and infrastructure improvements focused on roads, public safety and beachfront improvements. These priorities ranked highly in the initial survey and citizen feedback during the Measure X process. The Measure X ballot question also specifically listed “police patrols, crime, drug, and gang prevention, fire, paramedic and 9-1-1 response, pothole repair, street maintenance, improved infrastructure, maintain safe, clean parks and beaches, and address homelessness” as examples of general city services that could be funded by Measure X.

**Proposed Year 3 Spending Plan for FY 2021-22.** The Year 3 Spending Plan (Plan) continues the programs and infrastructure projects initiated in Years 1 and 2 with the following adjustments:

Revenue. The City's Sales Tax Consultant, HdL Companies, has estimated Year 3 revenue of \$14,684,512 (net of State administrative fees). This compares to the original projection of \$11,430,416 for Year 3 revenue. The additional revenue is primarily based on increased internet Sales/Use Tax receipts following the United States Supreme Court decision in South Dakota v. Wayfair, Inc., 138 S.Ct. 2080 (2018) and California's enactment of AB 147 implementing this decision. This court decision and law expanded the collection of state sales and use taxes from out-of-state businesses that sell to California residents and businesses over the internet.

Additionally, \$5,374,458 in unspent funds from Year 2 are being rolled over for reallocation in Year 3. This amount includes \$2.6 million in higher than projected revenues and \$2.8 million in lower than expected expenditures. As a result of these changes, the total amount available for budgeting in Year 3 is \$19,771,038.

Expenses from Ongoing Projects and Programs. The Year 3 Spending Plan continues the programs and projects initiated in Years 1 and 2:

1. **Homeless Outreach Team (HOT).** The Spending Plan continues to fund two additional staff serving as the City's second HOT team. The Year 3 budget is increased to \$402,524 based on actual costs for the personnel on this team. These are positions that can be moved into other police programs after seven years when the Measure X revenues end since retirements will create new vacancies in the department.
2. **The Crime Suppression Team.** The Plan provides \$650,000 in Year 3 funding for the Police Department to deploy officers on an overtime basis to engage in additional crime suppression focused on the downtown and transient/homeless issues. This budget remains unchanged from Year 2.
3. **Additional HOT Social Worker.** The Plan continues funding for an additional contract social worker to partner with the additional HOT team, at a cost of \$77,000 in Year 3.
4. **Homeless Diversion/Prevention, Homeless Reunification Program, and Homeless Hiring Programs.** This line item funds services such as emergency rent, security deposit, and first/last months' rent, bridge housing, and funding to reunite homeless persons with family members as needed in order to keep people from becoming homeless or to rehouse those experiencing homelessness. Additionally, it is proposed to launch a Homeless Hiring Program which will qualify and screen homeless Oceanside residents for a work program in coordination with a nonprofit partner. Staff issued a Request for Proposals (RFP) for this project in Year 1 but did not receive any submittals. Staff believes that this is a worthy concept and plans to issue another RFP, since similar programs have been initiated in other cities in the last year and a new RFP could produce a nonprofit partner. In order to fund these programs, \$500,000 would be allocated in Year 3.
5. **Contract Sobering Services.** The plan continues funding of \$500,000 for the Contract Sobering Services Center that opened in December of 2020. The County of San Diego also provides \$166,000/year in support of this program.

6. **Enhanced Emergency Service Delivery Model (EMT Program).** This program successfully launched in September 2019. The Year 3 budget is increased to \$1,378,439 to account for increases in minimum wage and actual costs for the EMT training academy. This program can be scaled back after seven years when the Measure X revenues end since the additional staff will be hired on limited contracts and other positions will open up through retirements
7. **Fire Station 1 Construction.** A contract was awarded and design and plan review is underway. Originally, this project was estimated at \$14.7 million, but is now estimated at \$17.1 million due to escalating labor and materials cost. Staff anticipates a construction start timeframe of September 2021 with for an 18-month construction period. Based on this time frame, \$7.5 million will be included in Year 3 to fund construction and another \$5.875 million in Year 4 (\$3.725 million has been allocated in prior years and will also go toward construction). Staff is also seeking State and/or Federal funding to offset the need for Measure X.
8. **Road Repairs/Overlays/Slurry Seals.** The City invests approximately \$7 million annually in pavement management including overlays, slurry seals and rehabilitation projects, however this funding level is not adequate to maintain the current pavement condition. The City's current Pavement Condition Index (PCI) is 56 and declining. At least \$2.5 million in additional funding is needed annually to increase the City's PCI rating by 8-10 points over ten years, which would indicate that City's streets are in upper fair to very good condition. \$3,500,000 is proposed for the third year of Measure X funding.
9. **South Strand Rehabilitation Project.** Staff is proposing to surface grind and apply bridge deck repair concrete as an interim measure while a design is prepared to stabilize the voids under the concrete slab and assess the sea wall. The Year 3 plan includes \$700,000 for continuation of this project. A total of \$3.6 million of Measure X monies has been planned for this project over the next few years.
10. **Buccaneer Beach Park Facilities Study.** Design is underway and \$675,000 is needed in Year 3 for completion of design and permitting. This process will include public outreach to ensure the proposed project meets community expectations.

**Proposed New Projects for Year 3.** After updating the revenues and expenses based on actuals and changes as noted above, the Seven Year Preliminary Expenditure Plan has a projected surplus of \$5.9 million. Based on this forecast staff is recommending the following changes to the plan:

1. **A one-time allocation to the Police Department of \$500,000** for equipment, training, planning, and operational studies designed to increase response time and effectiveness of the Police Department.
2. **A one-time allocation to the Fire Department of \$300,000** for equipment, training, planning, and operational studies designed to increase response time and effectiveness of the Fire Department.

**Preliminary Seven Year Expenditure Plan.** The Spending Plan also includes a preliminary plan for expenditures for the seven-year duration of Measure X (through March 2026). This plan anticipates continuance of the public safety and homelessness programs throughout the duration of the Measure, including cost escalators where appropriate, and completion of the infrastructure improvements initiated during Year 1. The total cost to continue/complete these items is estimated to be \$91.2 million which is fully covered by the anticipated revenue leaving a positive balance of \$5.9 million. This is a change from the initial Seven Year Expenditure Plan, where revenues were not projected to cover expenses. Attachment 2 is a detailed spreadsheet illustrating the preliminary plan for the full seven years of Measure X.

Construction costs for infrastructure improvements are based on current projections and will not be fully known until projects are bid. Staff will continue to look for State and Federal grant opportunities and local funds generated from developer fees and CIP funds to complete infrastructure projects. As Measure X funds are budgeted in the latter years, project funding will need to be adjusted to match projected revenues. For example, some of the projects are scalable, such as the funding for road and street repairs, which means that a larger amount could be allocated in the final year to match the available revenue. Staff has also identified additional high priority capital projects that could be funded in whole or part from Measure X funds, should projects come in under estimates such that additional capacity becomes available.

**Finance Options.** Due to the seven-year duration of the Measure, bond financing is not planned since it is not generally cost effective to issue bonds for such a short period. To the extent that an infrastructure project may require funds in advance of receipt, the City will consider internal borrowing to be repaid with future Measure X revenues. Such borrowing would require City Council approval in compliance with all applicable policies.

**Summary of Year 3 Spending Plan.**


Improved Public Safety Services including Addressing Homelessness and providing for a new Fire Deployment Model	\$4,307,693
Improved Infrastructure	
Public Safety Infrastructure Projects	7,500,000
Street & Road Repairs/Improvements	4,200,000
Beaches/Beachfront/Pier/Parks	<u>675,000</u>
<b>TOTAL SPENDING PLAN FOR YEAR THREE</b>	<b>\$16,682,693</b>
<b>REVENUE AVAILABLE FOR YEAR THREE</b>	<b>\$19,771,038</b>
<b>BALANCE TO BE CARRIED FORWARD TO YEAR FOUR</b>	<b>\$3,088,345</b>

**Next Steps.** After review by the Citizens Oversight Committee, the Spending Plan will be presented to the City Council at its budget workshop on April 14, 2021. A public hearing will be conducted in June 2021 where City Council will review and approve a FY 2020-21 budget, including Measure X.

PREPARED BY:

SUBMITTED BY:

  
Michael Gossman  
Assistant City Manager

  
Deanna Lorson  
City Manager

**ATTACHMENTS**

1. FY 2020-21 Year 2 Measure X Spending Plan
2. Detailed Seven Year Preliminary Plan of Expenditures
3. Measure X Projects Update Memo Dated 02/08/2021

## Measure X Draft Spending Plan

### **Revenue Assumptions:**

The FY 2021-22 revenue budget from the Measure is estimated at **\$14,396,580**

Total revenue for seven-year period is estimated at **\$98,190,051**

### **Proposed Spending Plan for FY 2021-22 Only**

<b>Police</b>	<b>Year 3</b>			
1. Additional Homeless Outreach Team	\$402,524	Ongoing		
2. Crime Suppression Team OT (downtown/homeless)	650,000	Ongoing		
3. One additional contract social worker for HOT	77,000	Ongoing		
4. Equipment and Studies to Increase Emergency Response Capabilities	500,000	One-time Allocation		
<i>Police Subtotal</i>	<i>\$1,629,524</i>			
<b>Homeless - General</b>				
1. Homeless Diversion/Prevention Program & Homeless Reunification	\$500,000	Ongoing		
2. Contract Sobering Services	500,000	Ongoing		
<i>Homeless Subtotal</i>	<i>\$1,000,000</i>			
<b>Fire</b>				
1. Enhanced Emergency Service Delivery Model (contract EMTs)	\$1,378,439	Ongoing		
2. Equipment and Studies to Increase Emergency Response Capabilities	\$300,000	One-time Allocation		
<i>Fire Subtotal</i>	<i>\$1,678,439</i>			
<b><i>Total Public Safety/Homeless</i></b>	<b><i>\$4,307,963</i></b>			

**Infrastructure**

**Public Safety Projects**

**Year 3**

1. New Fire Station 1/Emergency Operations Center	\$7,500,000	Originally estimated at \$14.7 million but latest estimate is \$17.1 million
2. Training Tower/Drafting Pit/Asphalt		0 Total estimated cost is \$600,000
3. Police Headquarters Expansion/Relocation Study		0 Total estimated cost is \$149,825
<i>Public Safety Projects Subtotal</i>	<u>\$7,500,000</u>	

**Streets & Roads/Traffic**

1. Road Repairs/Overlays/Slurry Seals	\$3,500,000	Ongoing
2. South Strand Rehabilitation Study	\$700,000	Total estimated cost is \$3.6 million
<i>Streets &amp; Roads/Traffic Subtotal</i>	<u>\$4,200,000</u>	

**Beaches/Beachfront/Pier/Parks**

1. Beachfront Improvements (Includes Police Substation)		0 Total estimated cost to Measure X is \$2.56 million
2. Pier Rehab – Concrete - Design		0 Estimated cost is \$17M - \$26M
3. Buccaneer Beach Park Facilities Study	675,000	Total estimated cost is \$2.9 million
<i>Beaches et.al. Subtotal</i>	<u>\$675,000</u>	

**Total Infrastructure** **\$12,375,000**

**GRAND TOTAL FY 2021-22** **\$16,682,963**

**Balance to roll forward to FY 2022/23** **\$3,088,345**

City Council's approval of this Spending Plan represents the third year of expenditure authority. If actual expenditures for non-capital projects come in lower than the budgeted amount, the funds will flow forward into the balance available for budgeting in Year 3. Unspent balances for capital projects will remain budgeted for that line item until the project is complete and funds are reprogrammed in a future Spending Plan.

**PRELIMINARY PLAN FOR EXPENDITURES YEARS 4 THROUGH 7**

<b><u>Projected Funds Available Years 4-7</u></b>	<b>\$56,627,970</b>	
<b><u>Assumes the Following Items That Continue from Year One</u></b>	<b><u>Annualized Cost</u></b>	<b><u>Estimated Costs Years 3-7</u></b>
Homeless Outreach Team Crime Suppression OT Contract Social Worker	\$1,149,773 Plus CPI	\$4,599,092
Homelessness Initiatives	\$1,000,000	4,000,000
EMT/Deployment (less ambulance)	1,448,753 Plus CPI	5,795,013
Road Repairs/Overlays/Slurry	3,500,000	14,000,000
<b><i>Subtotal</i></b>		<b><i>\$28,394,105</i></b>
<b><u>Infrastructure to Complete (Started in Year One)</u></b>		<b><u>Estimated Cost</u></b>
Fire Station 1	Balance	\$5,875,000
South Strand Improvements w/Sea Wall	Balance	2,500,000
Pier Rehab	Balance	15,250,000
Buccaneer Beach Restrooms	Balance	1,825,000
<b><i>Subtotal</i></b>		<b><i>\$25,450,000</i></b>

<b><u>SUMMARY</u></b>	\$56,627,970	(Years 4-7 Revenue)
	<53,844,105>	Ongoing Expenditure & Capital (33M+17.7M)
	\$2,783,865	Balance

**Additional Capital Programs That Could be Funded in Whole or Part by Measure X (TBD)**

- |                                          |         |                          |
|------------------------------------------|---------|--------------------------|
| 1. Deferred Maintenance – City Buildings | \$1.5M  |                          |
| 2. Streets and Roads                     | \$17.5M |                          |
| 3. Fire Station 8                        | \$8M    |                          |
| 4. Sand Replenishment                    | \$4.2M  | Note: \$600,000 per year |
| 5. Police HQ Expansion/Relocation        | TBD     |                          |

Measure X Seven Year Preliminary Expenditure Plan  
Year 2 - Revised May 2020

	YEAR	Budget 1 FY 19-20	Actual 1 FY 19-20	Budget 2 FY 20-21	Projected 2 FY 20-21	Proposed 3 FY 21-22	Estimated 4 FY 22-23	Estimated 5 FY 23-24	Estimated 6 FY 24-25	Estimated 7 FY 25-26	TOTAL	Years 4-7
<b>REVENUES</b>												
1/2 Cent Sales Tax	15 months	\$ 13,885,672	\$ 13,236,034	\$11,573,000	\$14,168,000	\$14,542,000	\$14,832,840	\$15,129,497	\$15,432,087	\$11,805,546	\$ 99,146,004	
Admin Fees	estimated set up fee	-	121,310	117,223	117,223	145,420	148,328	151,295	154,321	118,055	\$ 955,953	
Net available consultant projection years 2 & 3, 2% increase years 4-7		13,885,672	13,114,724	11,455,777	14,050,777	14,396,580	14,684,512	14,978,202	15,277,766	11,687,491	\$ 98,190,051	\$ 56,627,970
Carryforward & revenue above budget				2,192,977	2,192,977	5,374,458	3,088,345					
Amount available for budgeting				<u>13,648,754</u>	<u>16,243,754</u>	<u>19,771,038</u>	<u>17,772,856</u>					
<b>EXPENSES</b>												
<b>POLICE</b>												
Additional Homeless Outreach Team (HOT)*		456,477	366,388	396,234	377,371	402,254	410,299	418,505	426,875	435,413	\$ 2,837,105	\$ 1,691,092
Year 1 includes vehicle purchase, year 2 adjusted to actual costs, 2% CPI for years 3-7												
Crime Suppression Team (Downtown/Homeless Related)*		650,000	649,357	650,000	546,785	650,000	650,000	650,000	650,000	650,000	\$ 4,446,142	\$ 2,600,000
Additional HOT Contract Social Worker*	grant funded by HEAP in year 1	77,000	-	77,000	51,633	77,000	77,000	77,000	77,000	77,000	\$ 436,633	\$ 308,000
Police - Equipment and Studies to Increase Emergency Response Capability - One Time Allocation				500,000	500,000	500,000					\$ 1,000,000	\$ -
	<b>POLICE SUB TOTAL</b>	<u>1,183,477</u>	<u>1,015,745</u>	<u>1,623,234</u>	<u>1,475,789</u>	<u>1,629,254</u>	<u>1,137,299</u>	<u>1,145,505</u>	<u>1,153,875</u>	<u>1,162,413</u>	\$ 8,719,880	\$ 4,599,092
<b>HOMELESS</b>												
Enhanced Homeless Diversion & Prevention & Hiring Programs*	Projection based on amt spent in 1st 5 mo	500,000	91,154	400,000	400,000	500,000	500,000	500,000	500,000	500,000	\$ 2,991,154	\$ 2,000,000
*No RFP Response for Year 1 to Hiring Program												
Contract Sobering Services for Homeless*	Projection based on 2 months	500,000	-	500,000	300,000	500,000	500,000	500,000	500,000	500,000	\$ 2,800,000	\$ 2,000,000
*Denotes Homeless Related Expenditure	<b>HOMELESS SUB TOTAL</b>	<u>1,000,000</u>	<u>91,154</u>	<u>900,000</u>	<u>700,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	\$ 5,791,154	\$4,000,000
<b>FIRE</b>												
Enhanced Emergency Service Delivery Model		1,386,726	1,359,268	1,218,682	1,218,682	1,378,439	1,406,008	1,434,128	1,462,810	1,492,067	\$ 9,751,402	\$ 5,795,013
Year 1 includes vehicle purchase, min wage increases for years 2 & 3, \$40k training academy expenses, and 2% CPI for years 4-7												
Fire Equipment and studies to enhance emergency response - One time allocation				300,000	300,000	300,000					\$ 600,000	\$ -
	<b>FIRE SUBTOTAL</b>	<u>1,386,726</u>	<u>1,359,268</u>	<u>1,518,682</u>	<u>1,518,682</u>	<u>1,678,439</u>	<u>1,406,008</u>	<u>1,434,128</u>	<u>1,462,810</u>	<u>1,492,067</u>	\$ 10,351,402	\$5,795,013
<b>SUBTOTAL PUBLIC SAFETY/HOMELESS</b>		<b>3,570,203</b>	<b>2,466,167</b>	<b>4,041,916</b>	<b>3,694,471</b>	<b>4,307,693</b>	<b>3,543,307</b>	<b>3,579,633</b>	<b>3,616,686</b>	<b>3,654,479</b>	<b>24,862,436</b>	<b>\$14,394,105</b>

**Measure X Seven Year Preliminary Expenditure Plan  
Year 2 - Revised May 2020**

	YEAR	Budget 1	Allocated 1	Budget 2	Allocated 2	Proposed 3	Estimated 4	Estimated 5	Estimated 6	Estimated 7		
<b>INFRASTRUCTURE</b>												
<i>Public Safety Capital Projects</i>												
	Capital budget balances to roll forward											
	New Fire Station #1/Emergency Operations Center	\$ 17,100,000	1,600,000	1,600,000	2,125,000	2,125,000	7,500,000	5,875,000	-	-	-	\$ 17,100,000 \$ 5,875,000
	Fire Training Tower & Drafting Pit & Asphalt		600,000	600,000	-	-	-	-	-	-	-	\$ 600,000 \$ -
	Police HQ Expansion/Relocation Study		100,000	100,000	49,825	49,825	-	-	-	-	-	\$ 149,825 \$ -
<i>Streets &amp; Roads/Traffic/Storm Drains</i>												
	Road Repairs - Overlays/Slurry Seal Scalable - \$2.5M is the target but can be adjusted		2,590,422	2,590,422	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000		\$ 23,590,422 \$ 14,000,000
	South Strand Rehabilitation	\$ 3,600,000	400,000	400,000	-	-	700,000	2,500,000	-	-	-	\$ 3,600,000 \$ 2,500,000
<i>Beaches/Beachfront/Pier</i>												
	Beachfront Improvement Project Including Police Substation, State grant obtained in lieu of Measure X funding	\$ 2,555,158	2,555,158	2,555,158	-	-	-	-	-	-	-	\$ 2,555,158 \$ -
	Partial funding for Pier View Bridge Rehabilitation/Concrete Portion/Lifeguard HQ - Addl construction funds needed	\$17-\$26M	250,000	250,000	1,500,000	1,500,000	-	500,000	7,500,000	7,000,000	250,000	\$ 17,000,000 \$ 15,250,000
	Buccaneer Beach Park Facilities Study/Project	\$ 2,860,000	360,000	360,000	-	-	675,000	1,825,000	-	-	-	\$ 2,860,000 \$ 1,825,000
	<b>INFRASTRUCTURE SUBTOTAL</b>		<b>8,455,580</b>	<b>8,455,580</b>	<b>7,174,825</b>	<b>7,174,825</b>	<b>12,375,000</b>	<b>14,200,000</b>	<b>11,000,000</b>	<b>10,500,000</b>	<b>3,750,000</b>	<b>67,455,405 \$39,450,000</b>
<b>TOTAL</b>			\$12,025,783	\$10,921,747	\$11,216,741	\$10,869,296	\$16,682,693	\$17,743,307	\$14,579,633	\$14,116,686	\$7,404,479	\$92,317,841 \$ 53,844,105
	Overage (Shortfall)		\$1,859,889	\$2,192,977	\$ 2,432,013	\$ 5,374,458	\$ 3,088,345	\$ 29,549	\$398,569	\$1,161,080	4,283,012	5,872,210 \$2,783,865

City of Oceanside  
*Office of the City Manager*

# Memorandum

To: Mayor and City Councilmembers  
Measure X Citizens Oversight Committee

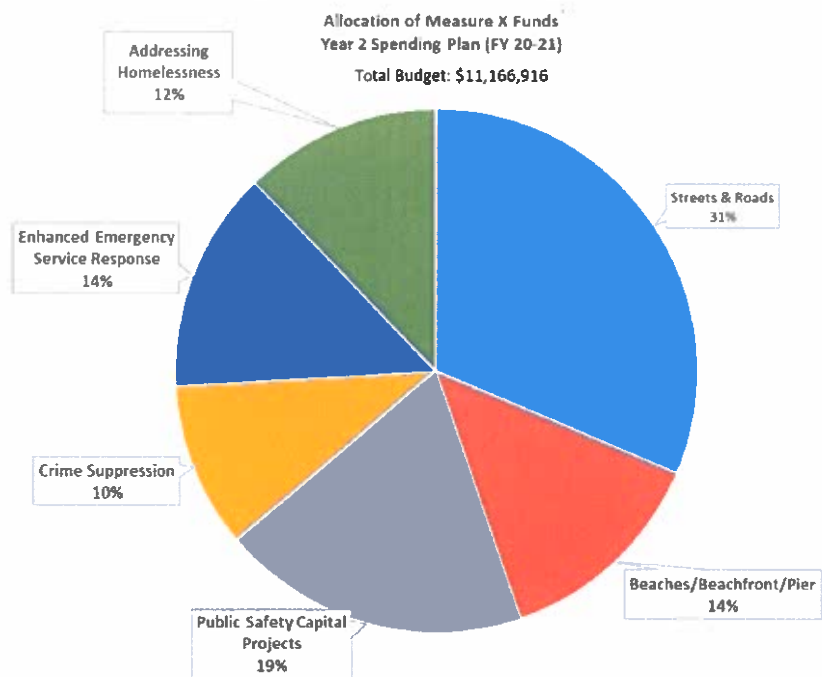
From: Deanna Lorson, City Manager *[Signature]*  
Michael Gossman, Assistant City Manager *[Signature]*

Date: February 8, 2021

Subject: **MEASURE X PROJECTS UPDATE**

In an effort to ensure that both the City Council and the Measure X Citizens Oversight Committee (COC) are informed about all Measure X efforts, staff is providing quarterly updates outlining the status of projects and programs funded by Measure X.

The COC met on May 14, 2020, and unanimously recommended a revised spending plan for FY 2020/21 that was based on the latest information and forecasts from HdL, our sales tax and revenue consultant. The FY 2020/21 Measure X budget and spending plan was then approved at the Council’s June 3, 2020, meeting at \$12,766,916 based on a unanimous recommendation from the COC. The following chart shows the Year 2 allocation of funds by category.



The COC met again on December 17, 2020, as stipulated in the Measure X Ordinance to receive an update on the spending plan and an independent audit report. They also recommended an amendment to the spending plan in the amount of \$49,825 to allow for the completion of a Police Department facilities study.

Revenue received since the tax went into effect on April 1, 2019, is \$22.2 million. Unspent operating funds go back into the Measure X account for reallocation in subsequent spending plans. Capital Improvement Project funds roll forward into the next FY for the identified projects.

The total expenditures per category included in this report are preliminary through December 31, 2020. The Measure X Fund was audited and a separate report issued December 17, 2020 for FY 2019/20. The audit confirmed that funds have been properly accounted for in accordance with the Measure X ordinance.

## **POLICE**

### **Additional Homeless Outreach Team (HOT)**

<b>EXPENDITURES 7/1/20 – 12/31/20</b>	<b>BUDGETED FOR YEAR 2</b>	<b>BUDGETED FOR YEAR 2 + CARRYOVERS</b>
\$178,734	\$396,234	\$396,234

The two new HOT Officers are currently working on their assigned duties. These officers have made a total of 272 contacts with homeless individuals October 1, 2020 through December 31, 2020. Of those, the officers were able to assist 196 individuals with services, such as housing, obtaining identification, placement into treatment centers, shelters, etc.

### **Crime Suppression Team OT**

<b>EXPENDITURES 7/1/20 – 12/31/20</b>	<b>BUDGETED FOR YEAR 2</b>	<b>BUDGETED FOR YEAR 2 + CARRYOVERS</b>
\$276,650	\$650,000	\$650,000

The Police Department began using the funding on July 1, 2020. To summarize the statistics for crime suppression and encampment details from July 1, 2020, through December 31, 2020:

Felony Arrests:	53	Misdemeanor Arrests:	362
Citations Issued:	856	Field Contacts:	759
Encampments Removed:	0*	Trash Removed:	8,315 bags

\* No encampments have been removed due to Governor Newsom's Stay at Home Order.

### **One additional contract social worker for HOT**

Note: This is included in the total budgeted amount for the Homeless Outreach Team (HOT)

<b>EXPENDITURES 7/1/20 – 12/31/20</b>	<b>BUDGETED FOR YEAR 2</b>	<b>BUDGETED FOR YEAR 2 + CARRYOVERS</b>
\$9,697	\$77,000	\$77,000

The costs of the Contract Social Worker are lower than anticipated for two reasons: 1) the Social Worker was on maternity leave for the month of July and partially for the month of August; and 2) we have only been billed for August through October.

**Downtown Security Enhancements**

<b>EXPENDITURES 7/1/20 – 12/31/20</b>	<b>BUDGETED FOR YEAR 2</b>	<b>BUDGETED FOR YEAR 2 + CARRYOVERS</b>
\$0	\$500,000	\$500,000

OPD has mapped out several locations for the placement of 54 cameras, and has received a quote for equipment and installation costs in the amount of \$497,055. OPD gave a presentation to the MainStreet PBID Governing Committee on January 13, 2021. The City Attorney’s Office is also assisting with the development of a Use Agreement between the City and PBID partners for the limited number of cameras that will need to be installed on private structures for optimal coverage of public spaces.

**HOMELESS – GENERAL**

**Homeless Diversion/Prevention Program & Homeless Reunification Program**

<b>EXPENDITURES 7/1/20 – 12/31/20</b>	<b>BUDGETED FOR YEAR 2</b>	<b>BUDGETED FOR YEAR 2 + CARRYOVERS</b>
\$56,198	\$400,000	\$400,000

The programs described below are being used to address homelessness in combination with other federal and state funds. The HEAP Grant funds a contract social worker in the Neighborhood Services Department who assists homeless persons with federally funded Section 8 Housing Choice Vouchers (HCV) program to obtain and maintain housing. The Bridge Housing will be occupied by vulnerable homeless persons referred to the Housing Authority for a voucher (generally persons with disabilities and seniors). At the same time, they work with social workers to obtain necessary documents and search for permanent housing. Homeless prevention includes providing the assistance needed to move into a unit, including credit checks, security and utility deposits, and homelessness prevention, including short term rental assistance. The expended amount is well below the budgeted amount due to the start-up nature of the programs. As these programs become fully operational, staff expects to spend the full amount budgeted in Year 2. The total funding was allocated to specific programs as follows:

- The reunification program began July 1, 2019, and is implemented by the HOT using the Traveler’s Aid model. The reunification program works with homeless individuals that have been estranged from family members. Reunification puts them back in touch with family, and if appropriate and agreed to, pays the funds required to transport the individual back to family (\$11,328 allocated). HOT reunified two individuals with relatives between October 1 and December 31 at a

a cost of \$27 in Measure X funds. This brings the total number of individuals reunited with relatives from July 1 to December 31, 2020, to five. Additionally, HOT assisted another two individuals in acquiring private housing at no cost.

- A contract was approved at the September 25, 2019, Council meeting for a Bridge Housing/intervention/housing navigation to commence October 1, 2019, and run through June 30, 2020, or until the contract is expended. The program, operated by Interfaith Community Services (ICS) is currently operating with nine homeless residents.

Additional funds were utilized in conjunction with Measure X funds to operate the Oceanside Bridge Housing (OBH) Expansion Program. OBH has served 62 individuals with 69% of the clients successfully transitioned into a permanent housing plan. Four clients are currently in transition to permanent housing.

- An incentive program for landlords that rent to homeless people with Section 8 vouchers was implemented and offered to several landlords. Staff made modifications to increase the incentive as social workers increased their engagement of new landlords. Landlord incentive information was placed on the City website, and a Landlord Workshop had been scheduled for last FY, which had to be canceled due to COVID-19 restrictions. Staff delivered appreciation baskets to landlords serving our most vulnerable tenants as a gesture to reinforce participation in the program. The baskets included resources to assist them in working with vulnerable populations as well as direct contact information for the Housing Authority contract social workers.

The Housing Authority Management Analyst, funded by Measure X, has organized a network system that links Prevention and Intervention programs overseen by the Housing Authority. The general oversight of this network ensures: (1) The mitigation of duplication of efforts, (2) Funding sources from all levels utilized under the different programs serve only Oceanside residents experiencing homelessness or at-risk of homelessness, and (3) Prioritizes services to those who genuinely need it such as our vulnerable residents, including our senior population, individuals with a permanent disability, and household families with dependent children that have gone through a traumatic event. The Management Analyst is also working on an analysis of homeless work programs.

Programs that focus on prevention and intervention are the following:

- ICS provides homeless prevention and intervention assistance by offering timely support when a homeless person locates a rental unit, with the City providing funding for application fees. For the first quarter, six families have been referred and provided with prevention services for ICS HEAP Flex Funds. The second quarter jumped to serving 30 households between October 1 and December 31, 2020.
- The City accepted the \$250,000 District 76 state grant fund beginning July 1, 2020. The City partnered with Community Resource Center (CRC) to implement an additional prevention and intervention flex funds program. This program identifies assisting 30 households with prevention services and 10 individuals/households with intervention assistance. Persons/households eligible for prevention services will have received a pay or quit notice 15 days prior to eviction for reasons outside COVID-19 impact. The program started July 2020 and is currently receiving referrals from city staff and direct resident contact with CRC. For the first quarter, 10 families are approved for prevention flex funds assistance. The second quarter also served 10 households for prevention flex funds.

While the Management Analyst position is currently funded through Measure X funding, Housing staff have already acquired funding and will continue to find funding opportunities to support the position. The following funding sources have been secured and will be supplementing the position.

- CDBG-CV
- HEAP
- District 76
- HPRP funds

**Contract Sobering Services**

<b>EXPENDITURES 7/1/20 – 12/31/20</b>	<b>BUDGETED FOR YEAR 2</b>	<b>BUDGETED FOR YEAR 2 + CARRYOVERS</b>
\$136,506	\$500,000	\$500,000

- City Council approved the Sobering Services Center PSA with McAlister Sobering Institute to operate a sobering services center at 1919 Apple Street on June 19, 2020, with a start date of July 1, 2020. In addition, the San Diego County Health and Human Services Agency provided funding to the City in support of the Sobering Services Center. Oceanside City Council approved the Memorandum of

Understanding and accepted a funding allocation of \$166,000/year for 3-years for a total allocation of \$498,000 over three years (FY20-21, FY21-22 & FY22-23).

The Administrative Conditional Use Permit (ACUP20-0009) was approved by the City Planner on December 8, 2020 and received no appeals. The Center opened on December 21, 2020 and served 6 individuals between Dec 21, 2020 and Jan 4, 2021. Staff are working to educate OPD and OFD staff about this resource and are evaluating usage to increase utilization.

**FIRE**

**Enhanced Emergency Service Delivery Model** (contract EMTs, ambulance; ambulance is a one-time cost)

<b>EXPENDITURES 7/1/20 – 12/31/20</b>	<b>BUDGETED FOR YEAR 2</b>	<b>BUDGETED FOR YEAR 2 + CARRYOVERS</b>
\$595,818	\$1,218,682	\$1,218,682

These include an additional engine company assigned to Fire Station 7, a fourth Firefighter/Paramedic (FF/PM) assigned to the truck company out of Fire Station 7, modifying the ambulance staffing on three ambulances to one FF/PM, one ambulance modified to a Basic Life Support (BLS) ambulance with two Emergency Medical Technicians (EMTs), and the addition of a peak time BLS ambulance with two EMTs. Measure X provided for three staff positions. It also includes the Fire Captain in the Operations Division, one FF/PM in the Training Division, and one FF/PM in the Community Risk Reduction Division.

- EMT personnel have benefited from the exposure/mentorship of our career fire service personnel and are developing their skills and knowledge base towards a future in public service. Since the last reporting period, a third recruitment for EMTs has been completed and EMT Academy #3 graduated eight new members. Additionally, eight current EMTs have left the program to attend Fire Academies or Paramedic Training.
- The staffing of Engine 217 and the additional personnel assigned to Truck 217 continues to provide operational benefits. Personnel assigned to the Truck continue to take part in specialized training. The ability to cross staff the wildland engine out of Station 7 has improved while allowing for continuous station coverage by truck personnel. The additional staffing has provided a

benefit which will be realized with the upcoming Fire Academy 16. Due to the smaller size of the academy (4 members) we will be able to use the Truck personnel as primary instructors with back-up provided by Training staff. The truck will remain in service with only a slight delay in response times. This results in no loss of service and minimizing the overtime costs to run the academy. This is possible only because of the additional unit at Fire Station 7. The academy has been shortened to six weeks instead of the usual eight week schedule.

- The Operations Captain assigned to provide oversight to the EMT program has been working with EMS staff in the review and implementation of quality assurance procedures. He also serves as a mentor and trainer for EMT personnel. The Operations Captain continues to provide management of the EMT program. During the pandemic the Captain has taken on additional duties to include the backup for our Designated Infection Control Officer (DICO).

**Equipment Purchases**

Note: One-time purchase

<b>EXPENDITURES 7/1/20 – 12/31/20</b>	<b>BUDGETED FOR YEAR 2</b>	<b>BUDGETED FOR YEAR 2 + CARRYOVERS</b>
\$33,687	\$300,000	\$300,000

For FY 2020-21 an additional \$300,000 in one-time funds was provided to purchase necessary equipment to support Fire, EMS and Lifeguard operations. These funds are being used to purchase training, rescue and response equipment to enhance the Fire Department’s emergency operations. Equipment already purchased or authorized includes hand-held sonar units to support rapid underwater search efforts, rescue equipment for the Truck company, training simulators to enhance paramedic/EMT skills, computer equipment, bio-chem agent antidote kits, two unmanned aerial systems (UAS/drones) for fire and lifeguard support, a 35-foot training ladder, and a side scanning sonar upgrade for the Lifeguard rescue boat. Additional items being considered include a staff vehicle, training center improvements and cardiac monitors.

## **INFRASTRUCTURE**

### **Public Safety Projects**

#### **New Fire Station 1/Emergency Operations Center**

Note: Estimated cost is \$14.7M

<b>EXPENDITURES 7/1/20 – 12/31/20</b>	<b>BUDGETED FOR YEAR 2</b>	<b>BUDGETED FOR YEAR 2 + CARRYOVERS</b>
\$19,687	\$2,125,000	\$3,625,190

- The PSA for the design of Fire Station 1 was awarded to STK Architecture, Inc. (STK) on September 9, 2019. 30% Design Documents have been received and are being reviewed by Staff. Grading and erosion control plans have been submitted. Staff is working on the CUP paperwork which should be submitted to Planning by mid-January. The Architect will be submitting building plans in early to mid-January 2021. The Station is currently scheduled to be completed and opened by October 2022.

### **Training Tower/Drafting Pit/Asphalt**

Note: One time in Year 1

<b>EXPENDITURES 7/1/20 – 12/31/20</b>	<b>BUDGETED FOR YEAR 2</b>	<b>BUDGETED FOR YEAR 2 + CARRYOVERS</b>
\$67	\$0	\$532,330

- The construction of the training tower foundation began August 3, 2020. Over-excavation, removal of unforeseen abandoned utilities, backfill, and forming is completed. The concrete foundation pour was completed during the first weeks of October. Tower installation is scheduled for November 2020 and is anticipated to be completed by February 2021
- Due to construction related issues, foundation work was completed in late December 2020, and the tower installation is scheduled to begin late January 2021 or early February 2021 with a revised completion date Late Spring/Early Summer 2021.

**Police Headquarters Expansion/Relocation Study**

Note: One time in Year 1

<b>EXPENDITURES 7/1/20 – 12/31/20</b>	<b>BUDGETED FOR YEAR 2</b>	<b>BUDGETED FOR YEAR 2 + CARRYOVERS</b>
\$897	\$0	\$97,351

- A RFP was issued on May 14, 2020, with proposals due June 18, 2020. Phase 1 of the RFP involves evaluating and updating the study conducted in 2009 by Griffin Structures, and Phase 2 involves helping the City find a new location or determine the cost of updating the existing HQ. Staff presented Phase 2 costs to the COC in December 2020. Staff will bring a report to the City Council in March 2021 to recommend Phase 2 amendments to the PSA.
- LPA has been chosen to provide the analysis of the feasibility of the Police Headquarters relocation or expansion. The contract for Phase 1 has been reviewed by the City Attorney’s Office, and was approved by the City Engineer, as the cost of the agreement was under \$25,000. A kick-off meeting was scheduled for October 2020. Staff is preparing the needed information for the consultant to schedule meetings/interviews with OPD Staff.
- OPD and Engineering Staff have met with LPA on four separate occasions to provide information needed to complete the analysis. Upon completion of the information gathering, the report will be prepared and submitted for review by City Departments.

**Streets & Roads/Traffic**  
**Road Repairs/Overlays/Slurry Seals**

<b>EXPENDITURES 7/1/20 – 12/31/20</b>	<b>BUDGETED FOR YEAR 2</b>	<b>BUDGETED FOR YEAR 2 + CARRYOVERS</b>
\$2,507,434	\$3,500,000	\$5,917,749

- PWA for the Overlay Project was awarded to ATP General Engineering Contractors (ATP) on June 3, 2020, in the amount of \$4,622,512. The work encompasses approximately six center lane miles. Attached to this report is a list of streets that are involved in the Overlay Project. Mission Avenue was not included in this project, as the City is waiting on CalTrans approval and permitting. Work is scheduled to be completed by December 2020. Overlay project expenditure to date: \$2,271
- PWA for the FY 19-20 Annual Slurry Seal Project was awarded to American Asphalt South, Inc. on June 17, 2020, in the amount of \$990,400. Work was

completed October 2020. As a part of this project, 23 center lane miles were slurry sealed. Attached to this report is a list of streets that are involved in the Slurry Seal Project. Slurry Seal Project expenditure: \$1,074,463

- City staff is reviewing the pavement management program for candidate streets for the FY 20-21 overlay and slurry seal projects. A draft street list is being prepared.
- Mission Avenue was included in this project as an add-on item. Currently, the City's Contractor is waiting on its Caltrans permit approval in order to start work.
- Work was substantially completed in December 2020.

**South Strand Rehabilitation Study**

Note: Construction postponed

<b>EXPENDITURES 7/1/20 – 12/31/20</b>	<b>BUDGETED FOR YEAR 2</b>	<b>BUDGETED FOR YEAR 2 + CARRYOVERS</b>
\$10,595	\$0	\$365,247

- Staff obtained a topographic survey of the concrete roadway surface and utilities as a prelude to grinding the roadway imperfections in advance of subsurface investigation to stabilize the roadway
- Staff obtained a topographic map of The Strand between Seagaze Drive and Wisconsin Avenue. Staff is continuing to work on an RFP to have consultants prepare a design. The RFP is anticipated to be issued in December 2020, but it is anticipated that the advertisement period will be extended due to the holidays.
- PSA for the South Strand Rehabilitation Study anticipated to be presented to the City Council in February 2021.
- This project has been assigned to the City's on-call consultant Harris Associates to complete the Study by April 2021

**Beaches/Beachfront/Pier/Parks**

**Beachfront Improvements**

(Includes Police Substation)

Note: Grant received in Year 1

<b>EXPENDITURES 7/1/20 – 12/31/20</b>	<b>BUDGETED FOR YEAR 2</b>	<b>BUDGETED FOR YEAR 2 + CARRYOVERS</b>
\$176,415	\$0*	\$2,330,513

Project broke ground on April 4, 2020. Through June 30 with 22 percent of contract time expired, 12 percent of the \$9,268,720 construction contract has been paid to the contractor.

- Additional unforeseen work related to higher than anticipated groundwater and underlying structural deterioration of the bathhouse during the first 3 months of construction. Additional bath house concrete repairs performed to address areas of spalling concrete due to the age of the structure.
- \*The Year 1 budgeted amount was reduced to \$2,555,158 due to receipt of State Grant funds.
- Work on the Stairs and Plaza are scheduled for late October 2020 with the anticipated completion of these items in February 2021.
- Through December 31, 2020, with 50 percent of contract time expired, 35 percent of the \$9,465,721 (including contract change orders 1-3) construction contract has been paid to the contractor.
- A temporary sewer force main bypass constructed to maintain the operation of the existing sewer lift station while performing construction activities on site, including expediting the demolition of the existing stairway.
- Work on the Stairs and Plaza are scheduled for late January 2021 with the anticipated completion of these items on April 1, 2021.

**Pier Rehab – Concrete – Design**

Note: Estimated cost is \$17M - \$26M

<b>EXPENDITURES 7/1/20 – 12/31/20</b>	<b>BUDGETED FOR YEAR 2</b>	<b>BUDGETED FOR YEAR 2 + CARRYOVERS</b>
\$23,686	\$1,500,000	\$1,735,465

Moffat & Nichol was selected by staff as the best qualified consultant to design the pier and lifeguard headquarters restoration. Negotiations with the consultant were completed in October, resulting in a decreased initial scope from the RFP. A PSA for concept plans, stakeholder coordination, and an environmental study will be presented to the Council for approval in March 2021. Staff anticipates presenting an amendment for full design based on the concept plan.

As a result of on-going discussions with the selected consultant, the PSA will be brought to City Council in February where staff anticipates presenting an amendment for full design based on the concept plan.

**Buccaneer Beach Park Facilities Study**

Note: Construction postponed

<b>EXPENDITURES 7/1/20 – 12/31/20</b>	<b>BUDGETED FOR YEAR 2</b>	<b>BUDGETED FOR YEAR 2 + CARRYOVERS</b>
\$510	\$0	\$337,607

Staff advertised the RFP for the project study report on October 28, 2020. Five proposals were received. Staff is currently reviewing and ranking the proposals, and will schedule interviews with the top ranked firms in mid-February 2021. The PSA is anticipated to be brought to the City Council for approval in March 2021.

**The next quarterly update will cover the period ending March 31.**

**Copy: Department Directors**