



Budget Balancing Strategies

The goal for each small group is to recommend a set of strategies to the City Council and staff that will close a \$2.9 million shortfall in the City of Menlo Park general fund budget. City staff has developed different options for you to consider. In developing these options, staff used its best professional judgment to generate feasible ways to accomplish the savings suggested in community feedback from the Phase I Your City/Your Decision survey, while minimizing the impact on the public as much as possible.

The options include strategies for reducing the net cost of City services (either by cutting services or increasing fees) and for increasing tax revenues available to pay for City services. A list of these Service Strategies (Section A) and Tax Strategies (Section B) follows. Working within your small group, you will discuss and vote on which strategies should be part of the solution for closing the \$2.9 million budget shortfall. In order to offer each group a choice in how to come up with \$2.9 million, \$3.6 million in possible service strategies, in addition to a range of tax options, are offered in this exercise. Obviously, each group does not have to come up with the same set of recommendations.

Your group's recommendations will be recorded on a large Budget Balancing Worksheet. A small version of this worksheet is included in this packet for your use.

As is shown on the Budget Balancing Worksheet, City staff has given each group a head start in reaching the \$2.9 million target by committing to save \$290,000 through improved efficiency and \$290,000 through reduced administrative and maintenance support for City services and departments.



MENLO PARK BUDGET

SECTION A: Service Strategies to Reduce Net Cost

Starting on the next page, you will find descriptions and the net costs of the Menlo Park City services supported by taxes. Following the description of each service is one or more possible strategies for reducing the net cost of that service. Strategies are not listed in any particular order. In some cases, there are different versions of the same strategy with different levels of savings and impacts. In these instances, your group should not choose more than one version of that strategy.

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PUBLIC SAFETY

Due to the way that public safety services are provided, many of the strategies for reducing net cost have impacts on multiple service areas. The five service areas in public safety are described below, followed by four strategies to reduce the net cost of these services.

Patrol Response

This program provides field services to Menlo Park's residents, business owners and visitors, responding to both emergency and non-emergency calls for service, and providing initial criminal investigations. Patrol officers respond to 32,000 incidents annually, and are prepared "24/7" to protect Menlo Park. This program also provides parking permits and enforcement activities. Net Cost: \$6,244,000

Traffic Enforcement

The same police officers that provide patrol services are assigned to enforce traffic laws, investigate accidents and conduct DUI and traffic enforcement operations. Enforcement of traffic laws improves public safety by reducing traffic accidents on major thoroughfares and in neighborhoods. This service also provides traffic support for special events. Net Cost: \$1,405,000

Community Outreach

This program plans and coordinates crime prevention activities, and provides public safety presentations and exhibits at community events. The program promotes personal and public safety through increased public awareness. Community outreach allows the police to be more aware of and responsive to community concerns. Net Cost: \$1,027,000

Investigations

Investigations detectives follow up on crimes including homicide, robbery, identity theft, sex and juvenile crimes and those involving drugs and vice. The service also provides liaison with the courts and prosecutors, coordinates information about active criminal offenders and regional crimes, and supplies specialized police response to emergency situations. Net Cost: \$2,117,000

Emergency Preparedness

This program prepares the City's emergency response plans for major disasters such as floods, earthquakes or hazardous materials releases. The service also provides community education on disaster preparedness, and conducts periodic emergency response drills for City staff. Net Cost: \$147,000

PUBLIC SAFETY continued

Strategy 1 reduces patrol staffing, which results in reductions in net costs in the Patrol, Traffic Enforcement and Community Outreach service areas.

1a) Reduce police patrol staffing by 6%

Description: Eliminate 1 police officer and reduce overtime

Impact: Reduced ability to maintain full field patrol staffing when officers are not available due to court appearances, training, investigations and paid leave

Net Cost Reduction: \$171,000 (the reduction by service area is: \$45,000 from patrol, \$63,000 from traffic enforcement and \$63,000 from community outreach)

—or—

1b) Reduce police patrol staffing by 11%

Description: **1a PLUS** eliminate 2 sergeants; reduce the number of patrol teams from 6 to 4 per day by extending the number of hours worked during each shift and eliminating periods of overlapping shifts

Impact: **1a PLUS** reduction in officers on the street at certain times of the day; eliminated coordination between shifts; delay in response times to non-emergency calls; remaining sergeants will supervise larger teams and more special duties like new officer training

Net Cost Reduction: \$473,000 (the reduction by service area is: \$123,000 from patrol, \$175,000 from traffic enforcement and \$175,000 from community outreach)

—or—

1c) Reduce police patrol staffing by 22%

Description: **1b PLUS** replace 4 police officers with non-sworn community service officers, who can respond to non-emergency calls and take reports but cannot handle all duties of a sworn police officer, such as making arrests and responding to emergencies

Impact: **1b PLUS** longer delay in response times to non-emergency calls; less public interaction possibly resulting in reduced prevention efforts and community problem solving

Net Cost Reduction: \$611,000 (the reduction by service area is: \$158,000 from patrol, \$227,000 from traffic enforcement and \$226,000 from community outreach)

Strategy 2 reduces net costs in the Patrol, Community Outreach and Emergency Preparedness service areas.

2) Reduce police management

Description: Reduce number of police commanders from 3 to 2

Impact: Reduced supervision of police functions; reduced leadership for proactive community-problem solving initiatives; minor reduction in emergency preparedness planning and training

Net Cost Reduction: \$183,000 (the reduction by service area is: \$74,000 from patrol, \$95,000 from community outreach and \$14,000 from emergency preparedness)

PUBLIC SAFETY continued

Strategy 3 reduces net costs in the Patrol and Traffic Enforcement service areas.

3) Reduce police dispatch coverage

Description: Reduce number of dispatchers from 7 to 6.

Impact: Possible delays in answering non-emergency and 911 calls during peak call volumes

Net Cost Reduction: \$98,000 (the reduction by service area is: \$83,000 from patrol, \$15,000 from traffic enforcement)

Strategy 4 reduces net cost in the Investigation service area.

4) Reduce police investigative capacity

Description: Reduce number of detectives from 4 to 3

Impact: Elimination of counseling program for at-risk youth; reduced investigation of non-violent crime

Net Cost Reduction: \$136,000

PUBLIC SAFETY end

PUBLIC WORKS

Fields/Grounds Maintenance

The City maintains 13 City parks totaling 208 acres, as well as five joint-use athletic fields totaling 13 acres at local schools. Staff carries out maintenance, repairs, and minor renovations to the City's parks, grounds, sports fields, tennis courts, dog parks, playgrounds, parking lots, and landscaped areas. Net Cost: \$1,275,000

Strategies:

5) Reduce field and park maintenance

Description: Reduce mowing, seeding, weeding, watering and other maintenance of sports fields and parks by 8%

Impact: Decline in park/fields appearance and playing conditions; field renovations may be needed more frequently; discontinued weed control in parks, resulting in possible fire hazard

Net Cost Reduction: \$59,000

6) Increase downtown parking permit fees

Description: Increase fees paid for downtown parking permits in order to cover more of the cost to clean downtown sidewalks and parking areas

Impact: Increased fees from \$504 to \$534 per year, \$8 to \$10 per day, \$4 to \$5 per half-day

Net Cost Reduction: \$18,000

City Tree Maintenance

The City maintains approximately 20,000 public trees on City property, managing their pruning and removal in order to promote the health, aesthetics, and environmental benefits of the trees. The goal is to trim each tree at least once every five years. A special assessment fund (separate from the General Fund budget) provides \$454,000 to pay for most of the citywide tree maintenance program. Net Cost: \$239,000

Strategies:

7) New fee for tree protection plan review and inspection

Description: Charge developers of residential and commercial projects for review and inspection of plans to protect trees during construction

Impact: New fee to cover the cost of providing the service; estimated average of \$200 - \$400 per development project

Net Cost Reduction: \$5,000

8) Increase fee for banner installation

Description: Increase fee for hanging publicity banners over Santa Cruz Avenue and charge all users of this service (including nonprofit organizations and City sponsored events which may currently receive this service without charge)

Impact: Increased fee from \$250 to \$350 for 1 week banners and from \$350 to \$450 for two week banners

Net Cost Reduction: \$14,000

PUBLIC WORKS continued

9) New fee for premium tree-trimming service

Description: Charge for property owner requests for non-emergency tree-trimming that is more frequent than standard schedule (once every five years)

Impact: New fee to cover the cost of providing this service; estimated at \$100 - \$1000 depending on size of tree and amount of trimming requested

Net Cost Reduction: \$8,000

Heritage Trees

Under the Heritage Tree ordinance, heritage trees are defined as oaks 10 inches or more in diameter and all other trees 15 inches or more in diameter. Staff administers the heritage tree program, which requires permits for significant pruning or removal of such trees. The permit process, which includes an on-site inspection and notification of neighbors, is intended to preserve private and public heritage trees. Net Cost: \$135,000

Strategies:

10) Increase heritage tree fees

Description: Increase fees for heritage tree removal permits and appeals of heritage tree removal decisions

Impact: Increase permit fee from \$100 to \$160 to cover 50% of permit costs; increase appeal fee from \$15 to \$50 to cover 10% of appeal costs

Net Cost Reduction: \$24,000

Right-of-Way/Street Maintenance

This program provides for the maintenance of 100 miles of streets in the City, as well as eight downtown parking plazas. The City also inspects sidewalks and manages periodic repairs, and adds handicap-access ramps where needed. The City maintains 2,000 street lights. More than 250 encroachment permits are issued each year, requiring inspections to protect the City's infrastructure. The City plans, installs, and maintains traffic control devices such as traffic signs, striping, and lane markings to improve traffic safety and circulation. To the extent that other funding sources (Measure A, Gas Tax) are used in providing these services, the amounts are not included in the General Fund net costs shown here. Net Cost: \$2,711,000

Strategies:

11) Reduce engineering design and support

Description: Reduce engineering staff from 13.5 to 13

Impact: Less frequent update of city parcel and utility maps possibly impacting accuracy of information used in City, residential and commercial projects; delays in response to customer requests for information; possible delays in City infrastructure projects

Net Cost Reduction: \$11,000

PUBLIC WORKS continued

12) Reduce street maintenance

Description: Reduce frequency of street patching and other routine repairs (this does not reduce funding for street repaving)

Impact: Accelerated deterioration of pavement; increased cost associated with more significant repairs needed in the future

Net Cost Reduction: \$18,000

13) Increase encroachment permit fees

Description: Increase fees charged to developers of residential and commercial projects, utility companies, and others who request permission to obstruct and/or excavate in the City's streets, sidewalks and other rights-of-way

Impact: 31% fee increase from \$100 to \$131 for permits less than 30 days, from \$250 to \$327 for permits over 30 days; new fee of \$50/week for on-street container storage

Net Cost Reduction: \$31,000

14) Charge street maintenance to other funds and fee-based programs

Description: Use Landscape Assessment District fees to cover more leaf pick-up costs and Street Impact fees to cover a portion of routine street maintenance costs

Impact: Reduced funding available for street resurfacing, resulting in higher long-term maintenance costs; possible increase in Landscape Assessment District rates

Net Cost Reduction: \$46,000

15) Reduce street markings and signage

Description: Reduce frequency of replacing street striping and signs by 30%

Impact: Traffic markings and signage will become less visible over time, possibly reducing traffic safety

Net Cost Reduction: \$18,000

16a) Reduce street lighting by 25%

Description: Reduce amount of street lighting by 25% by deactivating 1 in 4 of city street lights

Impact: Reduced roadway visibility, possibly resulting in reduced traffic and public safety

Net Cost Reduction: \$28,000

—or—

16b) Reduce street lighting by 50%

Description: Reduce amount of street lighting by 50% by deactivating approximately every other street light

Impact: Greater reduction in roadway visibility, possibly resulting in reduced traffic and public safety

Net Cost Reduction: \$55,000

PUBLIC WORKS continued

17) Charge for special event set-up

Description: Charge street fair and other event planners for staff time required to help set-up the event

Impact: New fee to cover cost of providing this service

Net Cost Reduction: \$9,000

Median/Roadway Landscaping

City staff maintains the landscaping and removes litter from 20 miles of medians and roadside landscaping. Maintenance includes periodic trimming, weed control, and watering.
Net Cost: \$492,000

Strategies:

18) Reduce median and roadway landscape maintenance

Description: Reduce roadside trash pick-up, watering, trimming and weed control by 15%

Impact: Decline in appearance of roadways and medians

Net Cost Reduction: \$48,000

19) Charge Garbage Service Fund for median/roadway litter collection

Description: Charge the cost of collecting litter on roadsides and medians to the garbage service fund, resulting in an increased cost for garbage service

Impact: Increase in the rate paid by garbage service customers (an estimated 22 cent increase per month for the average residential customer)

Net Cost Reduction: \$52,000

Stormwater Management & Environmental Programs

The City maintains 44 miles of pipelines, more than 1,200 storm drain inlets, and a pump station for the storm drain system, reducing the risk of flooding in the city. It also ensures compliance with Federal requirements so that residents can qualify for flood insurance and disaster assistance in its two flood hazard zones. The City cooperates with other agencies, such as the San Francisquito Creek Joint Powers Authority, to maintain creeks through bank stabilization, clearing of vegetation, flood planning, and public education. Sustainable environmental practices are promoted throughout the city. Current funding levels for this program do not cover implementation of identified storm drain system improvements. Net Cost: \$462,000

Strategies:

20) Discontinue stormwater discounts

Description: Discontinue discounts that reduce the stormwater fees paid by property owners who use environmental practices to reduce the amount of pollution in the storm drain system

Impact: Full stormwater fees paid regardless of environmental practices used; possible minor degradation in stormwater runoff quality

Net Cost Reduction: \$17,000

PUBLIC WORKS continued

Transportation/Congestion Management

This program monitors roadway congestion and maintains efficient traffic signal systems along arterial and collector roads at 22 signalized intersections. The program also plans parking facilities in the downtown area, designs improvements such as lighted crosswalks, and manages alternative means of transportation, such as the free shuttle and the bikeway system. The Neighborhood Traffic Management Program allows residents to weigh in on local traffic issues to enhance safety and livability in their neighborhoods. Net Cost: \$296,000

Strategies:

21) Reduce transit consultant services

Description: Reduce consultant services used to study and promote shuttle ridership and explore opportunities to connect Menlo Park's shuttle system with neighboring shuttles

Impact: Possible reduction in awareness of shuttle services and connections with neighboring shuttle systems

Net Cost Reduction: \$5,000

22) Reduce promotion of bicycling as a commute alternative

Description: Elimination of bike helmet give-away, installation of bike racks and various bicycle safety awareness activities

Impact: Possible reduction in participation in Bike to Work Day and bicycle safety awareness

Net Cost Reduction: \$6,000

PUBLIC WORKS end

COMMUNITY SERVICES

Senior Services

Menlo Park's Senior Center is located in the Belle Haven neighborhood, and offers health, recreational, educational, cultural and social services for adults aged 55 and older. (Senior services at the "Little House" are not provided by the City.) Free transportation to and from the Senior Center (6,500 trips annually) is provided, along with nutritious hot meals (8,200 meals annually) and weekly brown bag meals (5,700 annually). Staff coordinates free medical consultations and screenings from the County, and schedules informational presentations regarding insurance, nutrition and tax advice. Over 100 classes are offered annually (exercise/movement, arts and crafts, sewing, cooking and language). The center operates 30 hours a week. Net Cost: \$539,000

Strategies:

23a) Eliminate Senior Center transportation

Description: Discontinue service of driving seniors to and from the Center and delivering meals to homebound seniors and adjust staffing to new service level

Impact: Inability for up to 40 seniors who rely on transportation provided by the City to attend the Center; discontinuation of meal delivery to up to 35 seniors

Net Cost Reduction: \$52,000

—or—

23b) Charge a Senior Center transportation fee to non-Menlo Park residents

Description: Charge a \$5 per trip fee to Senior Center visitors who are not Menlo Park Residents

Impact: New \$5 per trip fee for non-residents; will reduce access to the Senior Center to those non-residents who cannot afford the fee

Net Cost Reduction: \$9,000

COMMUNITY SERVICES continued

Menlo Children's Center

The MCC offers a childcare program (part-time or full-time) for children 18 months to 5 years old on the Burgess Park campus. The program offers a range of activities that foster a child's intellectual, social, and emotional development. The MCC is open 245 days a year and serves 53 children. Net Cost: \$315,000

Strategies:

24a) Increase Menlo Children's Center fees by 15%

Description: Increase fees to be more comparable to those charged by other preschools and cover 90% of the direct cost of providing this service

Impact: 15% increase in the fee, e.g. this will raise monthly fees from \$1246 to \$1433 for full-time toddler care and from \$980 to \$1127 for full-time preschool care

Net Cost Reduction: \$87,000

—or—

24b) Increase Menlo Children's Center fees by 22.5%

Description: Increase fees to cover 96% of the direct cost of providing this service

Impact: 22.5% increase in the fee, e.g. this will raise monthly fees from \$1246 to \$1526 for full-time toddler care and from \$980 to \$1201 for full-time preschool care

Net Cost Reduction: \$130,000

Belle Haven Child Development Center

The Belle Haven Child Development Center (BHDCDC) provides income-based, subsidized full-time child care services. The program is partially funded by the State Department of Education and administered by the City, serving up to 96 children ages 3 to 5 years old. The program builds learning readiness by offering materials and activities that support social, emotional, physical and cognitive development. Net Cost: \$736,000

Strategies:

25a) Eliminate 1 classroom at the Belle Haven Child Development Center

Description: Eliminate 1 of the center's 4 classrooms

Impact: 24 fewer children would be served and may not be able to find another provider of subsidized preschool

Net Cost Reduction: \$134,000

—or—

25b) Eliminate 2 classrooms at the Belle Haven Child Development Center

Description: Eliminate 2 of the center's 4 classrooms

Impact: 48 fewer children would be served and may not be able to find another provider of subsidized preschool

Net Cost Reduction: \$166,000

COMMUNITY SERVICES continued

Peninsula Partnership

The General Fund-supported parts of this program provide for a six-week summer academic enrichment program serving 120 first- through fifth-grade children in the Belle Haven neighborhood. This program also leads a City-community initiative designed to improve the quality of life in the Belle Haven neighborhood through outreach services, neighborhood beautification and support for educational programs. Net Cost: \$144,000

Strategies:

26) Reduce community summer school program

Description: Limit program to 1st through 3rd grade students; charge a fee of \$60 per student per summer

Impact: Eliminated service to 48 5th and 6th grade students; a new fee of \$60

Net Cost Reduction: \$33,000

Burgess School Age Child Care Program

The Burgess School-Age Child Care Program provides after-school and summer care for up to 110 children in Kindergarten to 5th grade at the Burgess Recreation Center. Eight weeks of full-time summer care is provided. During the school year, after-school care matches the Menlo Park City School District calendar (with additional hours of service available during school breaks). Transportation is provided to the center from Laurel, Oak Knoll, and Encinal Schools daily. The program is augmented with cultural activities, dance, theatre, sports camps, field trips, science and swimming, as well as homework assistance. Net Cost: \$129,000

Strategies:

27a) Increase Burgess School Age Child Care fees

Description: Increase fees to cover the full cost of providing this service

Impact: 7.5% increase in the fee during the school year, e.g. this will raise monthly fees from \$386 to \$415 for full-week care for 1st-5th graders

Net Cost Reduction: \$46,000

—or—

27b) Restructure Burgess School Age Child Care Program

Description: Change from a licensed child care program to a more self-directed program of recreation camps, classes and activities led by staff or contractors who may not have training in early childhood education, with slightly reduced hours of operation (about 2 hours less per week)

Impact: Change to a program that may not be preferred by families who want a program that meets State child care licensing requirements; may not meet the needs of working parents who require more hours of care

Net Cost Reduction: \$37,000

COMMUNITY SERVICES continued

Belle Haven School Age Child Care Program

The Belle Haven School-Age Child Care Program provides after-school and summer care for up to 75 children in Kindergarten to 6th grade at the Belle Haven Youth Center and the Onetta Harris Community Center. Eight weeks of full-time care is provided in the summer. During the school year, after-school care matches the Ravenswood City School District calendar (with additional hours of service available during school breaks). Transportation is provided to the center from Belle Haven School. The program is a balance of educational, social and recreational opportunities that includes a homework assistance/reading program. Net Cost: \$524,000

Strategies:

28a) Increase Belle Haven School Age Child Care fees to non-Menlo Park residents

Description: Eliminate reduced fee for families who do not live in Menlo Park, requiring them to pay full fees (e.g. \$415 per month for full-week care for 1st-5th graders)

Impact: Increase in fees for non-residents whose income currently qualifies them to pay reduced rates (e.g. this will be a 628% increase for non-residents paying the most reduced rate of \$57 per month for full-week care for 1st-5th graders); will reduce access to the program to those non-residents who cannot afford the fee

Net Cost Reduction: \$62,000

—or—

28b) Restructure Belle Haven School Age Child Care Program

Description: Change from a licensed child care program to a recreation camp-style program of classes and activities led by staff or contractors who may not have training in early childhood education, with slightly reduced hours of operation (about 2 hours less per week)

Impact: Change to a program that may not be preferred by families who want a program that meets State child care licensing requirements; may not meet the needs of working parents who require more hours of care

Net Cost Reduction: \$115,000

COMMUNITY SERVICES continued

Teen Services

Health, recreational, educational and social services for youth age 12 to 18 years old are currently offered in partnership with the Boys and Girls Club in the Belle Haven neighborhood. The Teen Center (at the Boys and Girls Club) is open weekdays, 3-5 hours a day. Tutoring, computers, special projects, drop-in activities, girl-only activities, sports, games, field trips and special events are scheduled. Net Cost: \$87,000

Strategies:

29) Decrease counseling services grant by 36%

Description: Reduce grant to a local community-based organization that provides teen counseling services at Menlo-Atherton High School

Impact: 36% reduction in the City's support for counseling at Menlo-Atherton High School, possibly leading to a reduction in counseling sessions for troubled teens and their families

Net Cost Reduction: \$13,000

Youth Sports

Menlo Park's Youth Sports programs offer sport opportunities for youth. Programs include girls' and boys' basketball leagues, girls' volleyball league and boys' football. Classes, clinics or camps are also offered for soccer, baseball, volleyball, and basketball. This program also coordinates field rentals and facilities for the public, schools and local organizations such as American Youth Soccer Organization (AYSO), California Youth Soccer Association (CYSA), Little League and Lacrosse. Approximately 192 teams with over 1,920 participants play annually in the leagues. Approximately 1,130 are enrolled annually in classes. Net Cost: \$192,000

Strategies:

30) Increase fees for youth sports

Description: Increase fees charged to participants in youth sports classes and leagues

Impact: 4% to 9% increase in fees, e.g. basketball league fees would go from \$295 to \$325 per team per season

Net Cost Reduction: \$17,000

COMMUNITY SERVICES continued

Adult Sports

The Adult Sports Program provides athletic opportunities for adults through drop-in programs and organized sports leagues. The programs include: a women's basketball league, men's basketball league, co-ed softball leagues and men's softball leagues as well as drop-in volleyball, basketball, badminton and a fitness room. Gymnasiums, picnic areas and field rentals are coordinated through the adult sports program. There are approximately 5,280 participants annually in drop-in activities; over 773 participants in the leagues; more than 70 rental permits (single and multiple-use) are issued annually. Net Cost: \$100,000

Strategies:

31) Eliminate adults sports program

Description: Eliminate City-organized teams and sports activities and make gyms and fields available for rental and drop-in use

Impact: No City-provided organized sports for adults

Net Cost Reduction: \$80,000

Gymnastics

Gymnastics is a comprehensive educational, recreational and developmental program designed for gymnasts age one through adults. Classes are held at the Burgess Gymnastic Center and the Onetta Harris Community Center. The program operates 6 days a week. 196 classes are held weekly and approximately 6,100 participants are enrolled in the program annually. Net Cost: \$70,000

Strategies:

32) Increase gymnastic class fees

Description: Increase fees for gymnastic classes

Impact: 6% increase in fees to cover the full cost of providing this service; resulting in an increase from \$117 to \$124 for a 12 week class

Net Cost Reduction: \$39,000

COMMUNITY SERVICES continued

Aquatics

The City of Menlo Park offers a comprehensive aquatics program for residents through programmed and individual recreation opportunities. Recreational swimming, water safety programs, lap swimming, swim team, lifeguard training and water safety classes, skill development classes and fitness-oriented aquatic activities are provided for all ages. The City has two aquatic venues at Belle Haven Pool and Burgess Pool, which is currently under renovation and scheduled to open in 2006. Beyond this transition year (and reflected here at full cost), the Burgess Pool will be operational year-round. Net Cost: \$794,000

Strategies:

33a) Close the Burgess warm pool for 6 months a year

Description: Open the Burgess warm pool for 6 months and close it for the remaining 6 months

Impact: Reduced availability of warm pool programs, such as water exercise and lessons

Net Cost Reduction: \$136,000

—or—

33b) Close the Burgess warm pool for 9 months a year

Description: Open the Burgess warm pool for 3 months and close it for the remaining 9 months of the year

Impact: Greater reduction in the availability of warm pool programs, such as water exercise and lessons

Net Cost Reduction: \$181,000

34a) Reduce Belle Haven pool schedule by 50%

Description: Close the Belle Haven pool during 3 of the 6 months that it currently operates

Impact: Elimination of half of the schedule of aquatic programs in Belle Haven

Net Cost Reduction: \$37,000

—or—

34 b) Close the Belle Haven pool

Description: Close the Belle Haven pool during the 6 months that it currently operates

Impact: Elimination of all aquatic programs in Belle Haven

Net Cost Reduction: \$74,000

COMMUNITY SERVICES continued

Community Classes

The City of Menlo Park offers a range of enrichment classes for children, teens, young adults and seniors. Community classes take place in many City facilities including the Onetta Harris Community Center, the Burgess Recreation Center and Burgess Gym. Classes include dance, computer training, arts and crafts, ceramics, creative writing, web page design, foreign language and martial arts. Total enrollment for classes last year was 3,256. Net Cost: \$368,000

Strategies:

35) Offer more revenue-generating contract recreation classes

Description: Increase the number of popular classes provided by contractors

Impact: Increased revenue from the City's share of class fees

Net Cost Reduction: \$40,000

36) Eliminate recreation classes provided in-house

Description: Eliminate classes provided by the City that do not cover their cost

Impact: Elimination of some classes

Net Cost Reduction: \$33,000

37) Increase recreation class and rental fees

Description: Increase the fees charged for some contract classes and for tennis key rentals

Impact: 4% increase in class fees and increase tennis key rental fees from \$30 to \$45

Net Cost Reduction: \$10,000

Events and Concerts

There are six major events held throughout the year along with eight park concerts, mini celebrations and park dedications. Events include – Halloween Parade and Trick or Treat, 4th of July, Kite Day, Egg Hunt, Breakfast with Santa, and Black History Week. These events are provided with the support of various community partners who provide in-kind services or share certain event expenses to reduce the cost to the City. Over 9,700 people join in City events and concerts annually. Concerts are free of charge and are open to the public. There is a minimal fee charged to defray the direct costs of some of the events. Net Cost: \$178,000

Strategies:

38) Eliminate events and concerts

Description: Eliminate events and concerts

Impact: No City-sponsored events or concerts provided to the community

Net Cost Reduction: \$175,000

COMMUNITY SERVICES end

LIBRARIES

Main Library

The Main Library provides information and materials to the community through print, visual, audio, and online resources. With a collection of over 150,000 items, 295 series titles, and more than 30 databases, the Library serves residents online “24/7”, and is a wi-fi hot spot. More than 560,000 items circulated from the collection last year, 50,000 reference questions were answered and 17,000 children attended story hours and other events. An outreach program for seniors, the homebound and the visually impaired is offered. Project Read has more than 100 volunteer tutors helping over 200 adults learn to read and write in English. The library is currently open 59 hours per week. Net Cost: \$1,681,000

Strategies:

39) Close Burgess Library on Sundays

Description: Close Burgess Library on Sundays

Impact: Reduction in library hours from 59 to 54 hours per week

Net Cost Reduction: \$35,000

Belle Haven Library

The Belle Haven Branch Library provides services and materials tailored to students at the Belle Haven Elementary School and the broader Belle Haven community. Through an arrangement with the Ravenswood School District, school-age children attend regular library instructional programs and receive assistance identifying materials for school assignments. The Bookbag program for children preschool to third grade sends books home for reading and study. More than 13,000 items circulated from the collection last year, 2,700 reference questions were answered and 26,000 children attended story and educational programs. 30% of the collection is in the Spanish language. The library has access to all of the online resources of the Main Library and offers public access Internet terminals. Net Cost: \$263,000

Strategies:

40) Reduce City funding of Belle Haven school library services

Description: Increase the Ravenswood City School District’s share of the cost to maintain library services provided to the school, or reduce hours/levels of service provided

Impact: Increase in School District’s share of cost by \$64,000 from \$40,000 to \$104,000 or decrease in total funding for the library by \$64,000

Net Cost Reduction: \$64,000

LIBRARIES end

COMMUNITY DEVELOPMENT

Comprehensive Planning

This program evaluates and updates the policies and regulations that guide the city's physical development. The General Plan sets goals and policies on land use, transportation, housing, open space, conservation, noise and safety. The Zoning Ordinance implements the General Plan by establishing specific uses, densities and development rules. Together, the documents provide guidelines for development projects. This program also includes neighborhood studies that address changes in land use and traffic in specific geographic areas of the city. Net Cost: \$194,000

Strategies:

41) Reduce comprehensive planning

Description: Reduce staff time spent on long-term and area-wide planning; shifting focus to fee-based services, such as review of development applications

Impact: Outdated General Plan; reduced ability to respond to requests for revisions to rules for residential and commercial development; reduced ability to create plans to guide development in certain areas of the city, such as El Camino Real and industrial areas east of Highway 101

Net Cost Reduction: \$30,000

Planning Level Review

This program provides timely review, including public input, of proposed development projects and land use permits. Either City staff, the Planning Commission or the City Council reviews proposals against established criteria and decides whether to approve as proposed, require modifications or deny a project. Net Cost: \$474,000

Strategies:

42) Increase planning review fees

Description: Increase fees charged to developers of residential and commercial projects to more closely cover the total cost of reviewing their plans

Impact: 11% fee increase from \$1,500 to \$1,665 for average project

Net Cost Reduction: \$29,000

43) Use contract services for plan review

Description: Replace a staff planner with a planner hired on contract who will focus completely on fee-based, billable services

Impact: Elimination of non-billable activities which will reduce capacity for project oversight and internal project coordination, result in longer review timelines, and reduce availability for pre-application meetings; higher hourly rates charged to applicants

Net Cost Reduction: \$64,000

COMMUNITY DEVELOPMENT continued

Strategy 44 reduces permit counter staffing, which results in reductions in net cost in Development Information Services and Permit/Inspection services.

44) Reduce permit counter support

Description: Reduce staffing at permit counter by 10 hours per week

Impact: Longer waits for counter and phone service; discontinued reminders of permit expiration; possible delays in permit review or issuance

Net Cost Reduction: \$20,000 (the reduction by service area is \$10,000 for Development Information Services and \$10,000 for Permits/Inspections)

Development Information Services

This program provides potential applicants and interested parties such as residents, property owners, business owners, architects, real estate brokers, and appraisers with timely and accurate information regarding applicable City policies, ordinances, guidelines, and other requirements related to land use development. Part of the revenue collected through building permits is used to support this service. Net Cost: \$68,000

Permit/Inspection

This program provides plan checking, permitting, inspections and monitoring of all development projects, which range from installing a replacement roof on a residence to the construction of an office building. Net Cost: \$171,000

45) Reduce building inspection hours

Description: Reduction of 1 day of inspection slots per month for residential and commercial developers who need inspections to proceed with their projects

Impact: Increase in wait for inspections during peak construction periods

Net Cost Reduction: \$6,000

COMMUNITY DEVELOPMENT end

OTHER SERVICES

Community Funding

Each year the City evaluates funding requests and makes small grants to selected non-profit agencies serving Menlo Park residents. Priority service areas include emergency assistance for homeless and low-income people, the disabled, seniors and youth in crisis. Last year 14 agencies received grants from the City. Net Cost: \$87,000

Strategies:

46a) Reduce social service grants to community-based organizations by 34%

Description: Reduce grants to community based organizations serving Menlo Park youth, seniors and disadvantaged residents by 34%

Impact: 34% reduction in City funding for youth, senior and other services, possibly reducing the availability of these services

Net Cost Reduction: \$26,000

—or—

46b) Eliminate social service grant program

Description: Eliminate grants to community based organizations serving Menlo Park youth, seniors and disadvantaged residents

Impact: Elimination of City funding for youth, senior and other services, possibly reducing the availability of these services

Net Cost Reduction: \$87,000

Community Relations

This program informs residents about City services, activities and policies and provides an opportunity for community members to be engaged in their local government. Through this program, the City produces a citywide newsletter twice a year, develops outreach materials, conducts surveys, televises City Council meetings, provides local newspapers and other media outlets with information about the City, and oversees the City's website and City departments in their outreach efforts. This program also includes the recruitment and oversight of volunteers, who provide more than 800 hours of service to the Administrative Services Department. Net Cost: \$155,000

Strategies:

47) Eliminate grant to the Midpeninsula Community Media Center

Description: Eliminate grant to the Midpeninsula Community Media Center, which operates the local cable television channels

Impact: Fewer City funds to support public access television

Net Cost Reduction: \$10,000

OTHER SERVICES continued

48) Reduce City publications

Description: Eliminate twice per year newsletter and replace with one annual report and reduce publication of information brochures

Impact: Reduced published information about and possibly reduced awareness of City services, policies, etc.

Net Cost Reduction: \$23,000

49) Eliminate contract services for community surveys

Description: Eliminate funding for regular surveys of customer satisfaction and general Menlo Park quality of life issues

Impact: Less feedback from public about quality of life and services, unmet needs, etc.

Net Cost Reduction: \$10,000

OTHER SERVICES end



SECTION B: Tax Strategies to Increase Tax Revenue

Below are brief descriptions of some possible taxes that could be introduced or increased to raise additional revenue to pay for City services. Following the description of each tax is one or more possible tax amounts. Your group should not select more than one tax amount for a given type of tax. Tax options are not listed in any particular order.

The taxes below would require voter approval. If the City Council decides to ask voters to consider a tax to help balance the budget, the Council could not count on that revenue until the tax is passed. Therefore, in the interim, the Council may need to take some money from the reserves.

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Utility User Tax

This would be a new tax for Menlo Park. A Utility Users Tax (UUT) may be levied on utility charges for electricity, gas, cable television, phone, and water services within the City limits. The tax would be levied by the City, collected by the utility as part of its regular billing procedure, and then remitted to the City. A UUT imposed as a general tax must be placed on the ballot and receive majority voter approval. Because most large cities have UUTs, the majority of California residents (over 54%) and businesses pay a utility user tax (the most common rate of UUT is 5%). Each 1% increment of UUT rate would yield Menlo Park approximately \$800,000, assuming typical exemptions (e.g. for low or fixed income residents) and limits are in place.

Strategies:

50) Charge a new Utility User Tax

Description: Levy a tax on utility charges for electricity, gas, cable, phone and water services

Impact: Increased cost of utilities to residents and businesses

Option	UUT of this %	To yield this revenue increase	Cost per year for household with utility bills of \$175/mo.
50a	1.0%	\$800,000	\$21.00
50b	1.5%	\$1,200,000	\$31.50
50c	2.0%	\$1,600,000	\$42.00
50d	2.5%	\$2,000,000	\$52.50
50e	3.0%	\$2,400,000	\$63.00

Business License Tax

The City's current business license tax generates approximately \$1.3 million on an annual basis. The tax is paid by entities located in or doing business in Menlo Park, and is based on annual gross receipts of the business. The tax increases on a sliding scale, with a maximum tax of \$8,000 for receipts of \$30 million. (Most Menlo Park businesses pay an annual tax of less than \$200.) Any change to the City's business license tax ordinance would need to be placed on a ballot and receive majority voter approval.

Strategies:

51) Increase Business License Tax

Description: Increase the amount Business License Tax paid by entities located in or doing business in Menlo Park

Impact: Higher Cost for Menlo Park businesses

Option	% increase	To yield this revenue increase	Cost per year for Business with gross receipts of \$1 million
51a	10%	\$130,000	\$75
51b	20%	\$260,000	\$150
51c	30%	\$390,000	\$225

Parcel Tax

This would be a new tax for the City of Menlo Park. A City parcel tax would be placed on the property tax bills and collected with the property tax by the county, then remitted to the City. Parcel taxes require a two-thirds majority voter approval. There are approximately 9,900 parcels in the City of Menlo Park.

Strategies:

52) Charge a new Parcel Tax

Description: Charge a new Parcel Tax for owners of residential and business properties

Impact: Increased property taxes for residential and business owners. Could increase rents and leases, and/or increase the cost of doing business

Option	of this \$ per parcel	To yield this revenue increase
52a	\$50	\$495,000
52b	\$100	\$990,000
52c	\$150	\$1,485,000
52d	\$200	\$1,980,000
50e	\$250	\$2,475,000

Special Assessment Districts

City-wide assessment districts could be created to finance infrastructure maintenance, (streets, sidewalks, storm drains, etc.) the cost of which accounts for a significant portion of the City's operating deficit. Unlike a parcel tax, the amount of each assessment must be based on the "benefit derived" by the owner of the property from the maintenance activities being financed. The assessments would appear on property tax bills. Prior to creating an assessment district, the City must hold a public hearing and conduct a ballot by mail, receiving approval from a majority of the affected property owners.

Strategies:

53) Create a new Infrastructure Maintenance Assessment District

Description: Create a new Infrastructure Maintenance Assessment District to finance infrastructure maintenance (such as streets, sidewalks and storm drains), with the average cost per parcel depending on frontage, acreage, or other unit of "benefit derived"

Impact: Increased cost to property owners for infrastructure maintenance services

Option	of this average \$ per parcel	To yield this revenue increase
53a	\$50	\$495,000
53b	\$100	\$990,000
53c	\$150	\$1,485,000