

**CITY OF REDONDO BEACH
BUDGET & FINANCE COMMISSION AGENDA
Wednesday, April 2, 2025**

415 DIAMOND STREET, REDONDO BEACH

SPECIAL MEETING

SPECIAL MEETING OF THE BUDGET & FINANCE COMMISSION - 6:30 PM

ALL PUBLIC MEETINGS HAVE RESUMED IN THE CITY COUNCIL CHAMBER. MEMBERS OF THE PUBLIC MAY PARTICIPATE IN-PERSON, BY ZOOM, EMAIL OR eCOMMENT.

Budget & Finance Commission meetings are broadcast live through Spectrum Cable, Channel 8, and Frontier Communications, Channel 41. Live streams and indexed archives of meetings are available via internet. Visit the City's office website at www.Redondo.org/rbtv.

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*Click "In Progress" hyperlink under Video section of meeting

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<https://www.youtube.com/c/CityofRedondoBeachIT>

TO JOIN ZOOM MEETING (FOR PUBLIC COMMENT ONLY):

Register in advance for this meeting:

[***ENTER ZOOM LINK HERE]

After registering, you will receive a confirmation email containing information about joining the meeting.

If you are participating by phone, be sure to provide your phone # when registering. You will be provided a Toll Free number and a Meeting ID to access the meeting. Note; press # to bypass Participant ID. Attendees will be muted until the public participation period is opened. When you are called on to speak, press *6 to unmute your line. Note, comments from the public are limited to 3 minutes per speaker.

eCOMMENT: COMMENTS MAY BE ENTERED DIRECTLY ON WEBSITE AGENDA PAGE:

<https://redondo.granicusideas.com/meetings>

- 1) Public comments can be entered before and during the meeting.
- 2) Select a SPECIFIC AGENDA ITEM to enter your comment;
- 3) Public will be prompted to Sign-Up to create a free personal account (one-time) and then comments may be added to each Agenda item of interest.
- 4) Public comments entered into eComment (up to 2200 characters; equal to approximately 3 minutes of oral comments) will become part of the official meeting record.

EMAIL: TO PARTICIPATE BY WRITTEN COMMUNICATION WITH ATTACHED DOCUMENTS BEFORE 3PM DAY OF MEETING:

Written materials that include attachments pertaining to matters listed on the posted agenda received after the agenda has been published will be added as supplemental materials under the relevant agenda item. FinanceMail@redondo.org

SPECIAL MEETING OF THE BUDGET & FINANCE COMMISSION - 6:30 PM

- A. CALL MEETING TO ORDER**
- B. ROLL CALL**
- C. SALUTE TO THE FLAG**
- D. APPROVE ORDER OF AGENDA**
- E. BLUE FOLDER ITEMS - ADDITIONAL BACK UP MATERIALS**

Blue folder items are additional back up material to administrative reports and/or public comments received after the printing and distribution of the agenda packet for receive and file.

F. CONSENT CALENDAR

Business items, except those formally noticed for public hearing, or discussion are assigned to the Consent Calendar. The Commission Members may request that any Consent Calendar item(s) be removed, discussed, and acted upon separately. Items removed from the Consent Calendar will be taken up under the "Excluded Consent Calendar" section below. Those items remaining on the Consent Calendar will be approved in one motion following Oral Communications.

F.1. [APPROVAL OF AFFIDAVIT OF POSTING FOR THE REGULAR BUDGET AND FINANCE COMMISSION MEETING OF APRIL 2, 2025](#)

CONTACT: STEPHANIE MEYER, INTERIM FINANCE DIRECTOR

F.2. [APPROVAL OF THE MINUTES FROM THE SPECIAL BUDGET AND FINANCE COMMISSION MEETING OF MAY 30, 2024 AND THE REGULAR BUDGET AND FINANCE COMMISSION MEETINGS OF OCTOBER 10, 2024, NOVEMBER 14, 2024, DECEMBER 12, 2024, JANUARY 9, 2025, AND FEBRUARY 13, 2025](#)

CONTACT: STEPHANIE MEYER, INTERIM FINANCE DIRECTOR

G. EXCLUDED CONSENT CALENDAR ITEMS

H. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

This section is intended to provide members of the public with the opportunity to comment on any subject that does not appear on this agenda for action. This section is limited to 30 minutes. Each speaker will be afforded three minutes to address the Commission. Each speaker will be permitted to speak only once. Written requests, if any, will be considered first under this section.

I. ITEMS CONTINUED FROM PREVIOUS AGENDAS

I.1. [HOMELESSNESS FUNDING](#)

CONTACT: STEPHANIE MEYER, INTERIM FINANCE DIRECTOR

I.2. [BUILDING MAINTENANCE/REPLACEMENT PLANNING](#)

CONTACT: STEPHANIE MEYER, INTERIM FINANCE DIRECTOR

J. ITEMS FOR DISCUSSION PRIOR TO ACTION

J.1. [DISCUSSION AND POSSIBLE ACTION REGARDING THE FISCAL YEAR 25-26 BUDGET INPUT TO THE CITY MANAGER](#)

CONTACT: STEPHANIE MEYER, INTERIM FINANCE DIRECTOR

J.2. [INFORMATION TECHNOLOGY PRESENTATION - IT DIRECTOR](#)

CONTACT: STEPHANIE MEYER, INTERIM FINANCE DIRECTOR

J.3. [JOINT PUBLIC WORKS AND SUSTAINABILITY COMMISSION AND BUDGETING AND FINANCE COMMISSION MEETING SCHEDULING](#)

CONTACT: STEPHANIE MEYER, INTERIM FINANCE DIRECTOR

J.4. [VETERAN PLAQUES](#)

CONTACT: STEPHANIE MEYER, INTERIM FINANCE DIRECTOR

J.5. [DISCUSSION AND CONSIDERATION OF THE CITY COUNCIL STRATEGIC PLAN](#)

CONTACT: STEPHANIE MEYER, INTERIM FINANCE DIRECTOR

K. COMMISSION MEMBER ITEMS AND FUTURE COMMISSION AGENDA TOPICS

L. ADJOURNMENT

The next meeting of the Redondo Beach Budget and Finance Commission will be a regular meeting to be held at 6:30 p.m. on April 10, 2025, in the Redondo Beach Council Chambers, at 415 Diamond Street, Redondo Beach, California.

It is the intention of the City of Redondo Beach to comply with the Americans with Disabilities Act (ADA) in all respects. If, as an attendee or a participant at this meeting you will need special assistance beyond what is normally provided, the City will attempt to accommodate you in every reasonable manner. Please contact the City Clerk's Office at (310) 318-0656 at least forty-eight (48) hours prior to the meeting to inform us of your particular needs and to determine if accommodation is feasible. Please advise us at that time if you will need accommodations to attend or participate in meetings on a regular basis.

An agenda packet is available 24 hours at www.redondo.org under the City Clerk.



Administrative Report

F.1., File # BF25-0431

Meeting Date: 4/2/2025

TITLE

APPROVAL OF AFFIDAVIT OF POSTING FOR THE REGULAR BUDGET AND FINANCE
COMMISSION MEETING OF APRIL 2, 2025

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS
CITY OF REDONDO BEACH)

AFFIDAVIT OF POSTING

In compliance with the Brown Act, the following materials have been posted at the locations indicated below.

Legislative Body	Budget and Finance Commission
Posting Type	Special Meeting Agenda
Posting Locations	415 Diamond Street, Redondo Beach, CA 90277 ✓ Adjacent to Council Chambers ✓ City Clerk’s Counter, Door “1”
Meeting Date & Time	April 2, 2025 6:30 p.m.

As the Administrative Analyst and Liaison of the Budget and Finance Commission of the City of Redondo Beach, I declare, under penalty of perjury, the document noted above was posted at the date displayed below.

*Erin Smith, Administrative Analyst
Budget and Finance Commission*

Date: March 28, 2025



Administrative Report

F.2., File # BF25-0432

Meeting Date: 4/2/2025

TITLE

APPROVAL OF THE MINUTES FROM THE SPECIAL BUDGET AND FINANCE COMMISSION MEETING OF MAY 30, 2024 AND THE REGULAR BUDGET AND FINANCE COMMISSION MEETINGS OF OCTOBER 10, 2024, NOVEMBER 14, 2024, DECEMBER 12, 2024, JANUARY 9, 2025, AND FEBRUARY 13, 2025



SPECIAL MEETING OF THE BUDGET AND FINANCE COMMISSION – 6:30 PM

A. CALL MEETING TO ORDER

A Special Meeting of the Redondo Beach Budget and Finance Commission was called to order at 6:30 p.m. by Chair Castle, in the City Hall Council Chambers, 415 Diamond Street, Redondo Beach, California.

B. ROLL CALL

Commissioners Present: Jeste, Marin, Sherbin, Woodham and Chair Castle

Commissioners Absent: Allen, Samples

Officials Present: Wendy Collazo, Finance Director
Stephanie Meyer, Assistant Financial Services Director
Doug Kaku, Grants Financial Administrator

C. SALUTE TO THE FLAG

Chair Castle led in the salute to the flag.

D. APPROVE ORDER OF AGENDA

There were no public comments on this item.

Motion by Commissioner Woodham, seconded by Commissioner Sherbin, to approve the order of the agenda, as presented. There being no objections, Chair Castle so ordered.

E. BLUE FOLDER ITEMS – ADDITIONAL BACK UP MATERIALS

E.1. For Blue Folder Documents Approved at the Budget and Finance Commission Meeting

CONTACT: WENDY COLLAZO, FINANCE DIRECTOR

Grants Financial Administrator Kaku confirmed there were no Blue Folder Items for tonight's meeting.

F. CONSENT CALENDAR

F.1. APPROVAL OF AFFIDAVIT OF POSTING FOR THE SPECIAL BUDGET AND FINANCE COMMISSION MEETING OF MAY 30, 2024

CONTACT: WENDY COLLAZO, FINANCE DIRECTOR

There were no public comments on the Consent Calendar.

Motion by Commissioner Woodham, seconded by Commissioner Marin, to approve the Consent Calendar, as presented. There being no objections, Chair Castle so ordered.

G. EXCLUDED CONSENT CALENDAR ITEMS - None

H. ITEMS CONTINUED FROM PREVIOUS AGENDAS - None

I. ITEMS FOR DISCUSSION PRIOR TO ACTIONS

I.1. DISCUSSION AND POSSIBLE ACTION REGARDING THE FISCAL YEAR 2024-2025 CITY MANAGER'S PROPOSED BUDGET AND THE FISCAL YEAR 2025-2029 CITY MANAGER'S PROPOSED FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM.

CONTACT: WENDY COLLAZO, FINANCE DIRECTOR

Finance Director Collazo introduced the item and deferred to City Manager Witzansky for a report.

City Manager Witzansky presented details of the Fiscal Year 2024-2025 City Manager's proposed budget and the Fiscal Year 2025-2029 City Manager's proposed five-year Capital Improvement Program.

Discussion followed regarding administrative costs as a percentage of total revenue and ensuring the best management practices in the industry, inflation in the construction industry, challenges with the availability of supplies and equipment, the possibility of the Commission receiving a status report of existing CIP projects and data available on the City's website.

In response to a question from Commissioner Woodham regarding differences in Total Income and Total Expenses within the report, Finance Director Collazo explained it is because of tool for "transfers in" and "transfers out" that is extracted from what is shown on Page 67.

City Manager Witzansky spoke about staff synthesizing the information in more lay terms and the fund summaries that trickle through the document; noted they tend to be more in an accounting format in the system; explained his definition of "structurally balanced" and talked about the \$3.2 million of UAL and the Housing Navigator position.

Commissioner Woodham spoke about the need to know total costs related to the City's Homeless Program.

Discussion followed regarding future grant opportunities that may be at risk, funds that were previously provided by the Beach Cities Health District, negotiations with the City's various labor groups, the Major Facilities Reconstruction Fund, aligning future debt service payments with some kind of a new, structural revenue source, the possibility of a general application bond, options for increasing revenue including raising TOT, the site-specific tax pledge, the status of the South Bay Social District financing, the Commission's role regarding the Fire Department studies and opportunities for the Commission to speak to Council regarding components of the

study that speak to Department operations.

In reply to Commissioner Woodham's inquiry, City Manager Witzansky explained the purpose of BRRs and noted where they can be found on the City's website.

There were no public comments on this item.

Motion by Commissioner Woodham, seconded by Commissioner Marin, to receive and file the Fiscal Year 2024-2025 City Manager's proposed budget and the Fiscal Year 2025-2029 City Manager's proposed five-year Capital Improvement Program report.

The motion carried 5-0-2 by the following roll call vote:

AYES: Jeste, Marin, Sherbin, Woodham and Chair Castle
NOES: None
ABSTAIN: None
ABSENT: Allen, Samples

J. MEMBER ITEMS AND REFERRALS TO STAFF

Commissioner Jeste referenced an article about the City's unfunded liabilities in the San Francisco Chronicle and asked about placing the matter on the next agenda for discussion.

Finance Director Collazo suggest that staff provide a comparison of commensurate cities; thanked her staff and welcomed feedback from the Commission.

Commissioner Woodham commented favorably about the document.

Commissioner Jeste commented on wanting to know what is going on in terms of technology.

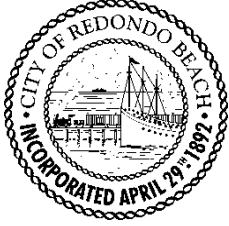
K. ADJOURNMENT – 7:43 p.m.

There being no further business to come before the Budget & Finance Commission, motion by Commissioner Woodham, seconded by Commissioner Marin, to adjourn the meeting at 7:43 p.m., to a Regular meeting to be held at 6:30 p.m. on June 13, 2024, in the Redondo Beach City Hall Council Chambers, 415 Diamond Street, Redondo Beach, California. There being no objections, Chair Castle so ordered.

All written comments submitted via eComment are included in the record and available for public review on the City website.

Respectfully submitted:

Wendy Collazo
Finance Director



REGULAR MEETING OF THE BUDGET AND FINANCE COMMISSION – 6:30 P.M.

A. CALL TO ORDER

A Regular Meeting of the Redondo Beach Budget and Finance Commission was called to order at 6:30 p.m. by Chair Castle, in the City Hall Council Chambers, 415 Diamond Street, Redondo Beach, California.

B. ROLL CALL

Commissioners Present: Allen, Jeste, Marin, Woodham, Sherbin, Chair Castle

Commissioners Absent: Samples

Officials Present: Stephanie Meyer, Interim Finance Director
Lucie Colombo, Chief Deputy City Clerk
Erin Smith, Administrative Analyst

C. SALUTE TO THE FLAG

Chair Castle led in a salute to the flag.

D. APPROVE ORDER OF AGENDA

Motion by Commissioner Woodham, seconded by Commissioner Allen, to approve the order of agenda. Motion carried unanimously, with no objection.

E. BLUE FOLDER ITEMS - ADDITIONAL BACK UP MATERIALS

E.1. BLUE FOLDER

Administrative Analyst Smith confirmed there were no Blue Folder Items for tonight's meeting

F. CONSENT CALENDAR

F.1. APPROVAL OF AFFIDAVIT OF POSTING FOR THE REGULAR BUDGET AND FINANCE COMMISSION MEETING OF OCTOBER 10, 2024

F.2. APPROVAL OF THE MINUTES FROM THE REGULAR BUDGET AND FINANCE COMMISSION MEETINGS OF SEPTEMBER 12, 2024

CONTACT: STEPHANIE MEYER, INTERIM FINANCE DIRECTOR

Commissioner Sherbin had a question on the minutes from September 12, 2024; mentioned a reference in the minutes in the second paragraph of the discussion of the meeting which says that the minutes show that the budget for the Budget and Finance Committee regarding the compensation for the City Attorney and there's a comment there that says the Commission suggested an 8% increase and the City Council approved 3%; stated he recalled that the Commission didn't approve any increase.

Chair Castle concurred with Commissioner Sherbin and stated they did not approve of any increase; stated after that meeting, he intended to write a letter to the City Council saying they did not have enough information to approve an increase or decrease or leave it the same; continued explaining that the HR department provided more information to the City Council and they made their decision but the Commission never made a recommendation to increase or decrease.

Commissioner Name stated the minutes should show the Commission made no recommendation at all.

Chair Castle noted there was a letter attached to their agenda for that meeting.

Commissioner Name (woman in pink) added the motion that the Commission passed was "no recommendation due to lack of information". The Commission all agreed.

Chief Deputy City Clerk Colombo suggested that the Commission could either make a motion recommending that the minutes be amended to reflect the changes they just stated or they return the minutes back to the minutes secretary and have her make the changes and have them presented at a future meeting.

Motion by Commissioner Sherbin, seconded by Commissioner Allen, to approve the motion for the minutes with the amended changes. Motion carried 4-0, Commissioner Samples absent.

There were no public comments and no eComments.

Motion by Commissioner Marin, seconded by Commissioner Allen, and approved by roll call vote, to approve the Consent Calendar.

AYES:	Allen, Jeste, Woodham, Sherbin, Chair Castle
NOES:	None
ABSENT:	Samples
ABSTAIN:	None

The motion carried 5-0. Commissioner Samples was absent.

G. EXCLUDED CONSENT CALENDAR ITEMS

None.

H. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

H.1. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

None.

I. ITEMS CONTINUED FROM PREVIOUS AGENDAS

None.

J. ITEMS FOR DISCUSSION PRIOR TO ACTION

J.1. DISCUSSION AND POSSIBLE ACTION REGARDING INPUT ON RECOMMENDED ASSIGNMENTS OF GENERAL FUND BALANCE FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Interim Finance Director Meyer stated she will be presenting the City's 2023 -2024 Fiscal Year End Report with their recommended carryover items for the next year; noted this is the second time the Commission is looking at the numbers as they took an early look back in August; stated most of what was reported is mostly true and mostly good news regarding the year end numbers; stated the focus of the report and the majority of what the Commission has read is in the General Fund; added carryover items including encumbrances, capital and grants for the rest of the City's funds will also be presented.

Interim Finance Director Meyer presented a PowerPoint which included:

Updates

- Capital carryover revised upward by approximately \$12k
- Encumbrance carryover revised downward by approximately \$8k
- Revisions will appear in the final Council Agenda item to be posted in 10/11/24.

General Fund Revenue Performance FY 2023-24 Budget vs. Actual

- Starting with the General Fund performance, revenues ended up being about \$2 million above budget, approximately 2%

- About \$1 million over in taxes; mid-year increased the budget for property taxes, decreased it for sales tax
- Slightly over \$1 million in charges for services category
- Use of Money/Property category reflects lease revenues
- Minor performances under budget in remaining categories

Commissioner Woodham asked Interim Finance Director Meyer if there were any unusual increases that would lead the Commission to believe that the budget for FY 2025 wouldn't be higher than \$112.9 million?

Interim Finance Director Meyer responded by stating she does not the information tells anything significant about FY 2024-25; stated they will spend most of their time looking in the City's tax category since that is their most important revenue; mentioned the next slide will provide more information; stated that Charges for Service is a positive sign for the City since they came in so strong in 2023-24 and added that Council approved some fee increases for 2024-25 budget.

Commissioner Jeste asked if the City got almost a billion dollars in additional taxes because of better collection or was there any particular item that generated the revenues.

Interim Finance Director Meyer responded; stating it was mostly due to property tax revenue receipts; noted assessed value went up and there is nothing extra the City is doing to generate it; she moved on to the next slide in the presentation.

General Fund Revenue Performance – Taxes (Historical)

- Starting with the 2023-24 Actuals, property tax came up close to \$36 million; which is over projections and is the City's largest increase
- Sales and Use Tax is up about \$1 million from the prior 2022-23 year; pointed out the gap between 2021-22 and mentioned those prior years were a little larger in gains than the 2023-24; noted that the City did increase their budget mid-year in 2023-24; stated this category is something they will continue to look at closely; ended the year significantly below the prior year and below their historical trends; mentioned they have been transparent with the Commission about the numbers; stated they are meeting with their consultants next week to go over 2024-25 projections
- Utility User Tax – came in pretty close to budget; down from 2022-23 but that was an unusually high year as she pointed out from the trends; attributed it to the very high energy prices in 2022-23; meeting with the consultant on this revenue source as well
- Transient Occupancy Tax – came in close to budget, a little over prior year; stated nothing remarkable but they hope to see some additional revenue in 2024-25 when the City has the Marine Avenue hotels

- Property Tax in Lieu of VLF – it is in parallel with property tax having the same factors; pointed out the slightly larger increase which gave them a little bump ahead of budget

Commissioner Sherbin asked what VLF stands for.

Interim Finance Director Meyer informed the Commission it stands for Vehicle License Fees.

Chair Castle asked when the City would start receiving the full run rate of the TOT tax from the hotels on Marine Avenue (noting the City is about one quarter into 2024-25).

Interim Finance Director Meyer stated the City's latest projections are probably into January 2025; noted it depends on the hotels bringing in strong enough transient occupancy tax to get the City's reserve account up to \$3 million; mentioned they had a strong summer but the spring was not great; informed the Commission they will be able to update them with their Quarterly Budget Report; continued with her presentation.

General Fund Expenditure Performance FY 2023-24 Budget to Actual

- Revenue side came in about 2% above budget expenditure side excluding encumbrances which came in about 7% below budget; together they turn a pretty good result for the City.
- Personnel came in very close to budget at about 2% under; they will watch it closely with all the MOU increases
- Large numbers in the Contract and Service category and the Capital Outlay category would be, in large portion, encumbrances and capital carryover; noted they will carryover a lot of the funds into 2024-25; excluding encumbrances the City is still about 5% under budget

General Fund Constraints - Interim Finance Director Meyer explained that every year the Budget & Finance Department likes to show the Council how they got to their overall fund balance to the amount they are able to spend, which they call their General Fund Constraints.

- Balance before Adjustments (preliminary) – They start out with \$27.1 million, which is rounded; it is not final as the audit has not been completed yet; then they back out everything that is mandatory.
- Mandatory Designations & Transfers (- \$8,750,402) Items that are restricted by external law or policy; which includes:
 - Prepaid Costs/Notes & Loans (\$151,194)
 - Committed Items (City's 8.33% Contingency) (\$8,599,208)
- Assigned Items (-\$17,992,351) – This is a large category; included in the 2024-25 budget; these are items that don't rise to the level of mandatory because Council

can ask Budget & Finance to unencumber funds or change their level of petty cash or the department can decide not to hold aside for compensated absences; these items are mostly discretionary but generally committed.

- Encumbrances (\$2,130,355)
 - Petty Cash (\$10,450)
 - Compensated Absences (\$785,832) – stated it will be the last time you will see this number; these are funds that have been set aside as part of the 2024-25 budget; these funds are planned to fund the City’s UAL payment, fund worker’s compensation and a few other items; since the funds are not actually spent yet they are still shown as held aside in this assignment but as they are spent it will come out of the assignments.
 - Carryover Assignments (\$6,374,435) - stated this is where the department recommend additional items for Council
- Remaining Available Unassigned Balance - \$357,248 – Budget & Finance does not recommend spending balance; it is there for Council consideration.

Carryover Assignments Detail – General Fund Assignments: FY 2023-24 to FY 2024-25

- FY 2024-25 Anticipated Expenses to Fund with Year-end Savings (MOU commitments and other personnel costs)
- Required transfers for Harbor Tidelands and Uplands capital projects – deficits ended up being smaller; two reasons: trimmed back capital spending to the most essential items and significant savings in personnel; those funds into balance moving forward come to approximately \$1.5 million.
- Department General Fund Carryover requests – approximately \$700,000 is made up of one-time department requests
- Capital Projects Carryover – approximately \$3 million in multi-year capital projects; were not spent in 2023-24; Council approved to move all of their capital spending to capital projects fund which is standard accounting best practice.
- Donations Carryover (net \$47,986 revenue/\$177,112 expenditures)

Interim Finance Director Meyer noted this brings them to approximately \$6.3 million in total proposed assignments and about \$349,000 in total unassigned.

Commissioner Jeste asked if the Commission can have more detailed discussion on the capital projects in the next meeting.

Interim Finance Director Meyer affirmed that is possible; noted that there are several attachments to the report she presented which should give them all more detail on each item.

Commissioner Sherbin asked if the City is on schedule with all the items on the General Fund Capital Projects to spend it.

Interim Finance Director Meyer stated she may need to defer that to Jesse; Councilmember Sherbin clarified his question just asking if they are in process to spending that much money; Interim Finance Director Meyer stated yes, 100%; she continued with her presentation.

Recommendations

- Take no action with remaining unallocated fund balance; mentioned items that funds may be needed for; check in point mid-year.
- Leave funds unspent to help mitigate future fiscal pressures.

Next Steps

- 1) FY 2023-24 Annual Comprehensive Financial Report (ACFR) – December 2024
 - Budget & Finance Commission review before Council
- 2) FY 2024-25 Midyear Budget – February 2025
 - General Fund constraints reflecting final ACFR
 - Revenue, expenditure and fund balance midyear status evaluation
 - FY 2024-25 revenue and expenditure proposed adjustments

Action for Commission

- Provide comments/recommendations to include with report to Council on 10/15/2024
 - Commissioner Jeste recommended a presentation by someone in IT regarding cyber security; asked about reserves for any natural calamity such as earthquakes or anything else unplanned.
 - Interim Finance Director Meyer addressed both items; noting she would speak to the City Manager about cyber security training and that they have the 8.33% contingency reserve; more discussion followed on reserves and government recommended amounts.
 - Commissioner Sherbin made a comment that expenses are always going to grow to meet whatever revenue is; mentioned the City is in good shape compared to pre-covid.
 - Interim Finance Director Meyer asked if the Commission wanted to make any recommendations to the reserves.
 - The Commission GFOA no less than two months of regular general fund operating revenue and the City is at only one month. So, the Commission asked Meyer to look into what other cities are doing and what steps they need to follow to get them closer to 10%; decided to discuss at the next meeting.

There were no public comments on this item.

Motion by Commissioner Sherbin, seconded by Commissioner Marin, and approved by roll call vote, to approve the recommendation to leave the funds unspent to help mitigate future fiscal rushes.

AYES: Allen, Jeste, Marin, Woodham, Sherbin, and Chair Castle
NOES: None
ABSENT: Samples
ABSTAIN: None

The motion carried 6-0. Commissioner Samples was absent.

K. MEMBER ITEMS AND REFERRALS TO STAFF

Commissioner Marin asked that the City Manager or the head of IT come in to discuss cyber security.

Commissioner Sherbin asked when CalPERS would be coming in; Interim Finance Director Meyer stated it would be December; mentioned if they have any items or a specific focus for the speaker ahead of time she can pass that along.

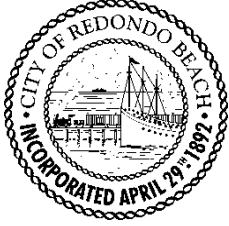
L. ADJOURNMENT – 7:05 P.M.

There being no further business to come before the Budget and Finance Commission, motion by Commissioner Sherbin, seconded by Commissioner Marin, to adjourn the meeting at 7:05 p.m. to a Regular meeting to be held at 6:30 p.m. on Thursday, November 14, 2024 in the Redondo Beach City Hall Council Chambers 415 N. Pacific Coast Hwy. Redondo Beach, California. There being no objections, Chair Castle so ordered.

All written comments submitted via eComment are included in the record and available for public review on the City website.

Respectfully submitted:

Stephanie Meyer
Interim Finance Director



REGULAR MEETING OF THE BUDGET AND FINANCE COMMISSION – 6:30 P.M.

A. CALL TO ORDER

A Regular Meeting of the Redondo Beach Budget and Finance Commission was called to order at 6:30 p.m. by Chair Castle, in the City Hall Council Chambers, 415 Diamond Street, Redondo Beach, California.

B. ROLL CALL

Commissioners Present: Allen, Jeste, Marin, Woodham, Samples, Sherbin, Chair Castle

Commissioners Absent: None

Officials Present: Eugene Solomon, City Treasurer
Stephanie Meyer, Interim Finance Director
Nilesh Mehta, Chief Deputy City Treasurer
Erin Smith, Administrative Analyst

C. SALUTE TO THE FLAG

Chair Castle led in a salute to the flag.

D. APPROVE ORDER OF AGENDA

Motion by Commissioner Woodham, seconded by Commissioner Allen, to approve the order of agenda. Motion carried 7-0.

E. BLUE FOLDER ITEMS - ADDITIONAL BACK UP MATERIALS

E.1. BLUE FOLDER

Administrative Analyst Smith confirmed there were no Blue Folder Items.

F. CONSENT CALENDAR

F.1. APPROVAL OF AFFIDAVIT OF POSTING FOR THE REGULAR BUDGET AND FINANCE COMMISSION MEETING OF NOVEMBER 14, 2024

Motion by Commissioner Allen, seconded by Commissioner Woodham, to approve the order of the Consent Calendar. Motion carried 7-0.

G. EXCLUDED CONSENT CALENDAR ITEMS

None.

H. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

None.

I. ITEMS CONTINUED FROM PREVIOUS AGENDAS

None.

J. ITEMS FOR DISCUSSION PRIOR TO ACTION

J.1. ANNUAL REVIEW OF CITY'S STATEMENT OF INVESTMENT POLICY 2024

**J.2. CITY TREASURER'S QUARTER 1 FISCAL YEAR 2024-2025 REPORT
CONTACT: EUGENE SOLOMON AND NILESH MEHTA**

City Treasurer Solomon stated he has several items to go over including the regular reporting of the City's investment policy for this year; noted they have a change the City is requesting the Commission to review in the City's investment policy which is to add the ability to include a JPA within their policy itself; mentioned Commissioner Allen has raised the idea of using a JPA as a tool in the past; stated they have a recommended vendor for the Commission's review; introduced Chief Deputy City Treasurer Nilesh Mehta

Chief Deputy City Treasurer Mehta stated he would be joined by Kyle Tanaka from California Asset Management Program (CAMP); presented a PowerPoint on the recommended investment policy for 2024; which included:

- Introduction of the topic
 - Section 23 of the City's Investment Policy specifies that the City Treasurer present the City's statement of investment policy for annual review and adoption by the City Council as well as the Budget and Finance Commission.
- Recommendation of Amendments
 - Recommendation to add Section N (Joint Powers Authority, maximum limit 20%)
 - Established under California Government Code Section 6509.7.

- Joint Powers Authority must meet certain criteria.
 - Is registered or exempt with the SEC
 - Has a minimum of five years' experience
 - Manages assets under in excess of \$500,000,000
- Introduction to JPA CAMP
 - Noted that Kyle Tanaka (CAMP) is there to answer any questions.
 - Stated CAMP is ideal for operating funds, separate accounting, and proceeds of debt issues
 - Rated AAAm by S&P Global (highest rating for local government pool)
 - Listed the benefits of using CAMP
 - Explained the value of going with CAMP instead of current companies
- Cash Reserve Portfolio Characteristics as of August 31, 2024
 - Kyle Tanaka took over the presentation
 - Update of current numbers; assets in the fund closed at \$17.8 billion as of that day.
 - Explained the Sector Composition
 - Topics covered: pool investments, pooled investment comparison, GASB 79 Compliance

Commissioner Woodham asked a question about the way CAMP invests in comparison to the City's current investment company (L.A.I.F).

Kyle Tanaka responded with examples and comparisons with other investment companies including Leif; explained yield disparity; continued with the presentation.

- Explained what GASB 79 compliance means for the City

Commissioner Simpson asked "if you're using an amortized cost to value your assets, how do you determine your market value on an interim basis?"

Kyle Tanaka responded stating GASB 79 allows for you to value your market value as your share price because they utilize GASB 79.

More discussion followed between Commissioner Simpson and Kyle Tanaka; continued on with the presentation.

- Advised by a Pioneer in the LGIP Industry
 - CAMP helped pioneer the first grassroots LGIP
 - They have 18 different pools across the country
 - \$81 billion in assets in different pools
- Professional Service Providers
 - PFM is both the investment advisor and the administrator

- Custodian is U.S. Bank National Association
- Auditor is E&Y, LLP
- Legal Counsel is Nossaman LLP

- Fund Rating Disclosures
- Recommendation – Review Statement of Investment Policy as amended

Discussion and questions followed the presentation including more explanation on Joint Powers Authority; Kyle Tanaka noted that about 45% of their shareholders are JPA members the other 55% are investors; gave a list of several cities in the area that work with CAMP and mentioned 45 counties as well.

Commissioner Samples asked City Treasurer Solomon if the City has considered the idea of becoming a JPA member and asked what that would entail.

City Treasurer Solomon responded and stated that it would require a resolution of the City Council; explained what the City is seeking in their investment policy is in two steps: to invest with a JPA and the second part being the City selected CAMP as a JPA for them to work with as an investor; added the City did not look into joining as an investor.

More discussion ensued regarding JPAs. Commissioner Allen mentioned in her research of JPAs CAMP was the longest running, had the most competitive fees and the highest yield.

Rick Phillips (via Zoom), external investment advisor, added they have other clients that use CAMP and as an investment advisor approve of the City working with CAMP.

Administrative Analyst Smith confirmed there were no public comments.

Motion by Commissioner Allen, seconded by Commissioner Samples, to approve adding JPA California Asset Management Program (CAMP) to the City’s investment policy as presented to the Commission and as recommended by Staff. Motion carried 7-0.

Vote by Roll Call:

AYES:	Allen, Jeste, Marin, Woodham, Samples, Sherbin, Chair Castle
NOES:	None
ABSENT:	None
ABSTAIN:	None

**J.2. CITY TREASURER’S QUARTER 1 FISCAL YEAR 2024-2025 REPORT
CONTACT: NILESH MEHTA**

Chief Deputy City Treasurer Mehta explained what the Commissioners received in their packets:

- Treasurer’s portfolio summary
- Investment reporting guidelines
- Investment Report by Meeder Investment, which included:
 - Portfolio summary
 - Investment policy compliance
 - Investment Activity Report
 - Economic and market update

Chief Deputy City Treasurer Mehta stated he would be presenting a PowerPoint to include:

- Investment reporting objectives/guidelines
- Policy compliance
- Quarterly performance
- Historical book value
- Cash flow analysis
- Month-end portfolio book yield
- Maturity distribution
- Trading activity
- Fiscal impact

Chief Deputy City Treasurer Mehta stated the City Treasurer maintains the City’s cash flows while earning a competitive rate of return on the investments within the constraints of the City’s investment policy and state law; spoke about safety, liquidity, and yield; stressed the importance of remembering whose money it is and to act in a responsible stewardship capacity; stated an investment manager’s objective is to earn a reasonable rate of return, while preserving capital in the overall portfolio (the City should not be put at an unacceptable level of risk); noted that failures in public investing happen when: policies are unclear, inappropriate, not followed, or oversight was inadequate. Chief Deputy City Treasurer Mehta went on to list questions a City Treasurer should ask regarding investment programs. He went over the investment policy compliance for the quarter; stated the City was in compliance; showed the FY 2024-25 performance for the quarter; noted the amounts and percentages the City has in their investment portfolio; compared the FY 2023-24 performance in L.A.I.F. with the current numbers; showed the breakdown performance from FY 2022-23 and noted significant change in the interest earned YTD from two years ago.

Commissioner Woodham asked if the City uses L.A.I.F. and money markets interchangeably depending on the rate of return and liquidity.

Chief Deputy City Treasurer Mehta responded that is correct; stated if the City increases in the money market, they decrease the balance in the L.A.I.F.

Chief Deputy City Treasurer Mehta continued the presentation with the historical book value by FY going back to 2021; noted that at that time there were at about \$75 million and now the City is at about \$97 million; showed a chart going back to 2009 showing the ups and downs in the City’s portfolio; showed the cash flow analysis for the quarter; stated

the City has met the cash flow needs for the quarter and expect to meet the expenditure requirements for the upcoming period; showed a chart for the month-end portfolio book yield going back to October 2023 noting the City was at about 2.5% and currently at about 3%; stated that 42% of the City's maturity distribution are maturing within zero to one year, almost 23% within one to two years, about 30% within two to three years, and about 5% within three to four years; went over trading activity, transaction report, and fiscal year-to-date earnings; introduced Rick Phillips to talk about the benchmark versus the City's yield.

Rick Phillips (via Zoom) stated that since the portfolio is a buy hold portfolio, they try to replicate a yield benchmark vs the portfolio's yield and the universe is zero to five years for the investment policy; they take the zero to five year treasury index and do a 30 month moving average to try to replicate over time how they would purchase investments in the portfolio; stated the benchmark theoretically purchases and sells every month and went on to explain the process; stated the City's portfolio is "lumpy" depending on when property taxes come in or big cash flows go out; mentioned the City has larger than average cash outflows this last year; stated in October \$10 million went out and that was much larger than in the past; mentioned the challenges they have had over the past years during covid; mentioned that the benchmark will start to rollover around January/February because interest rates have come down; asked if anyone had questions.

Commissioner Woodham referred back to September and said it looked like there was a 150-basis point difference between the benchmark and the portfolio; questioned the variance and stated he doesn't understand the reasons why and asked if it is a shorter maturity portfolio.

Rick Phillips (via Zoom) explained the reason why the benchmark has gone up is because the benchmark gets to invest every single month and explain the challenges they have to work with; referred to the bubble chart in the PowerPoint and stated due to cash flow needs they can not reinvest into the higher rates.

Commissioner Woodham restated his question and asked how the City's return compares to that of other cities or counties with similar portfolios.

Rick Phillips stated the yield on the portfolio is lower than average for other clients primarily because the City's cash needs have been greater on a percentage than their other clients.

More discussion ensued regarding the City of Redondo Beach's needs for cash; stating the inability to reinvest; noting that Redondo Beach has unique needs; went over different perspectives on how to look at the portfolio and its performance.

Rick Phillips continued the presentation; stated year-to-date interest earned was \$615, 313, the General Fund contribution rate is 60% (approximately \$369,188), and budgeted contribution of interest to the GF for the entire FY is \$1.5 million.

Commissioner Woodham asked if the Commission gets the monthly report that the Budget and Finance Department sends to the City Council on their dedicated city email. Chief Deputy City Treasurer Mehta responded yes; City Treasurer Solomon added that it is also on the RB website under the Treasurer's page.

Commissioner Allen asked the Commissioners if they would be interested in adding a slide of what the City purchases every quarter; discussion followed and they decided to add it to the Commissioner's consent calendar going forward; Rick Phillips mentioned there is a transaction report on their monthly report that they receive.

Commissioner Samples asked City Treasurer Solomon if based on the City's interest income and investment performance for the first quarter if he could project over the next three quarters if the City will make the \$1.5 million target.

City Treasurer Solomon gave examples of the different factors to consider in the market; mentioned with things considered it looks good but would not want to make any predictions.

More discussion followed.

Administrative Analyst Smith confirmed no public comments.

Motion by Commissioner Samples, seconded by Commissioner Woodham, to receive and file the City Treasurer's Quarter 1 Fiscal Year 2024-2025 Report. Motion carried 7-0.

Vote by Roll Call:

AYES:	Allen, Jeste, Marin, Woodham, Samples, Sherbin, Chair Castle
NOES:	None
ABSENT:	None
ABSTAIN:	None

J.3. NOMINATIONS AND ELECTION OF CHAIRPERSON AND VICE-CHAIR

Chair Castle noted that traditionally the newest members are selected as Chair and Vice Chair; mentioned the Commission could go with the traditional policy unless anyone has other thoughts; going with tradition meant Commissioner Sherbin would be Chair and Commissioner Allen would be Vice Chair.

Both Commissioner Sherbin and Commissioner Allen had no objections to the decision.

Administrative Analyst Smith confirmed no public comments.

Motion by Chair Castle, seconded by Commissioner Woodham, to accept Commissioner Sherbin as Chair and Commissioner Allen as Vice Chair of the Budget and Finance Commission. Motion carried 7-0 by roll call.

Vote by Roll Call:

AYES: Allen, Jeste, Marin, Woodham, Samples, Sherbin, Chair Castle
NOES: None
ABSENT: None
ABSTAIN: None

J.4. FISCAL YEAR 2024-25 Q1 FINANCIAL REPORTING: JULY 2024-SEPTEMBER 2024
CONTACT: STEPHANIE MEYER

Interim Finance Director Meyer presented a PowerPoint on the Financial Reporting for Q1 Fiscal Year 2024-2025; stated the presentation shows FY 2024-25 actual revenue and spending compared to budget for Q1 FY 2024-25 from July 1 through September 30; noted data tables include prior year first quarter comparison to capture regular spending/revenue trends; main points of the presentation included:

- General Fund Taxes Q1 FY 2024-25
 - Tax revenue receipts are consistent with prior year and on track with budget
 - Broke out the major sources: property taxes, sales tax, transient occupancy tax (TOT), utility users tax (UUT), franchise fees and business license tax
- General Fund Non-tax Q1 FY 2024-25
 - Non-tax revenue is in line with prior year; noted overhead journal is completed in October
 - Listed Revenue sources: charges for service (city fees only), license and permits, and other revenue
 - Actuals vs prior year
 - Notes regarding revenue sources and actuals vs. prior year
- Other Fund Revenue Q1 FY 2024-25
 - Other fund revenue is in line with prior year – decrease from prior year reflects internal services timing
 - Switched to Revenue Q1 FY 2024-25 so the Commission could look at the other funds; summary of everything she is talking about
 - Internal service fund journal entry is made in October
- All Funds % Received – Q1 FY 2024-25 vs. Q1 FY 2023-24
 - Includes General Fund, Special Revenue Funds, Capital Improvement Funds, Enterprise Funds, Internal Services Funds, Debt Service Funds and Fiduciary Funds
 - Notes Enterprise Funds reflects pending Transit revenue and Internal Service Funds reflects overhead not charged yet
- General Fund Spending Q1 FY 2024-25

- General Fund spending through September is in line with budget and consistent with prior year.
 - Personnel spending is higher than in the prior year, reflecting the MOU increases (took affect midway 2023-24)
 - Contracts and services spending ahead of prior year; remains within budget
- Total City spending is in line with regular operations
 - Spending total and rate consistent with prior year apart from Special Revenue Funds
- Expenditure Q1 FY 2024-25
 - Detailed out General Fund Expenditures including personnel, fringe benefits, materials and supplies, equipment M & O, contracts and services, internal services, capital outlay, and other expenditures
 - Other funds total

Commissioner Allen asked what Special Revenue Funds means.

Interim Finance Director Meyer stated there is a wide variety of funds but pointed out the biggest one is the Grants Fund; defined Special Revenue Funds are any funding source that the City spends for a specific purpose; she listed several funds that fall into the category and stated she will add it next time.

- All Funds Expenditure Rate by Fund Q1 FY 2024-25 vs. Q1 FY 2023-24
 - Explained why the higher % spent to date reflects lower FY 2024-25 budget because carryover was not yet posted; Council had not yet approved carryover.
- Next Steps
 - Q2 Review February 13, 2025
 - FY 2024-25 Midyear Budget – Jan/Feb 2025

Commissioners asked Interim Finance Director Meyer some questions regarding the presentation; Interim Finance Director Meyer reiterated that the purpose of the presentation was to show the progress of the City’s ongoing revenue and spending; mentioned reserves will be in the Carryover Report mid-year.

More discussion regarding reserve spending.

Administrative Analyst Smith confirmed there were no public comments.

Motion by Commissioner Allen, seconded by Commission Woodham, to receive and file the Fiscal Year 2024-25 Q1 Financial Reporting for July 2024 – September 2024 as presented. Motion carried 7-0 by roll call.

Vote by Roll Call:

AYES: Allen, Jeste, Marin, Woodham, Samples, Sherbin, Chair Castle
NOES: None
ABSENT: None
ABSTAIN: None

J.5. RESERVE POLICIES-COMPARATIVE RESEARCH

CONTACT: STEPHANIE MEYER

Interim Finance Director Meyer referenced from the last meeting that the Commission had asked for some kind of benchmarking information about reserve and reserve policies, GFOA recommendations and some information about other cities; introduced Erin Smith as the new Budget and Finance liaison and analyst.

Interim Finance Director Meyer highlighted some information with a PowerPoint and mentioned they are in their packet:

- Overarching Recommendations
 - Entities adopt a formal policy
 - Basic policy has a minimum two months of regular General Fund operating revenues or expenditures
- Considerations
 - Government's particular situation (ie. Exposure to risks, one-time needs, revenue volatility)
 - Look at reserves in a long-term context
- Redondo Beach Reserves
 - General Fund Reserve: 8.33% of General Fund operating – established in Financial Principles
 - Listed uses including natural disasters, unforeseen deficiencies of major revenue sources, etc.
 - Additional available funds
 - PERS Reserve est in FY 2010-11
 - Internal Services Funds
 - External assessment of RB reserve policies
 - Aa1 (Moody's); Aa+(S&P)
 - 2012 LA County Grand Jury charter city financial review-highest rating
- Reserve Policy Review

- Reserve Policies included in review: 17 California cities and many cities have reserve policies for other funds in addition to a GF including for Enterprise and Internal Service
- Reserve Policy Reference Summary included:
 - Number of cities with GF reserves under 6%
 - Number of cities with GF reserve policies between 6% and 9%
 - Number of cities with GF reserve policies between 20% and 25%
 - Number of cities with GF reserve policies over 25%
 - Highest GF reserve policy
 - Lowest GF reserve policy

Interim Finance Director Meyer opened up to questions and discussions; clarified that the purpose of this presentation is to give the Commission a “jumping off point” to discuss amongst themselves and she is not there to make recommendations.

Commissioner Allen thanked Interim Finance Director Meyer for all her work; asked if Finance Director Meyer remembered what the Finance Department had recommended to Council on how much the reserves should be at that time; Finance Director Meyer stated they follow the 8.33% formal policy.

Discussion followed regarding the reserves and PERS reserves.

Interim Finance Director Meyer read a statement that came from the Mayor, “While the City maintains an unrestricted fund balance slightly below GFOA recommendation the City has adopted reserve policies that allocate funding for six critical areas of PERS payments, workers’ compensation, post retirement employee health benefits, vehicle equipment replacement liability insurance and capital improvement.”; she explained where it came from and did not know if it had any great significance; mentioned there is \$8 million in the PERS reserves.

Commissioner Allen mentioned the City should not mix funds. More discussion followed.

More discussion ensued regarding use of the PERS fund and if any other cities have used it; talk of money received from the Federal Government during disasters; talks of new assessments needed to see if the 8.33% is enough or not; more discussion followed regarding disaster measures and costs.

Commissioner Samples noted that the City would have to figure out how to cut budgets in departments to come up with a million dollars a year or generate an extra million dollars a year to put towards disaster funds.

Discussion followed regarding situations or risks that the Commission could take to Council for them to reconsider the 8.33% for the Reserves Fund adopted in 2001; noted that the Reserves Fund are separate from the other funds the City has and are for unforeseen emergencies.

Motion by Commissioner Samples, seconded by to recommend to the City Council that the current policy of 8.33% be reviewed and updated to reflect current risks, the Budget and Finance Commission considers a starting point of double the current amount subject to further review with a goal of achieving that within 7 to 10 years.

Administrative Analyst Smith confirmed no public comments.

Commissioner Allen asked Staff to include all the attachments that Staff had included for the Commissioners to Council when they present their recommendations.

Interim Finance Director Meyer wanted to get clarification from the City Clerk or from City Treasurer on whether a letter from the Commissioners or a formal communication from the Commission would be a better way to present the recommendation.

City Treasurer Solomon felt that a drafted letter would be the best way to present this to Council; stated that as far as Council's process is concerned they may have to agendaize a discussion of this or they could make a referral to have this discussion take place during the budget season; gave some suggestions to the Commissioners on what should be included in the letter such as if they want this to happen prior to budget season or in the budget season; felt it would also help if they had this discussion prior to budget season for the City Finance Department in creating the budget; stated the Finance & Budget Department will get too busy during budget season.

Commissioner Samples stated it should happen as soon as possible since everyone would need to prepare for this in their budgets.

City Treasurer Solomon suggested they choose someone from the Commission to draft the letter.

Amended motion by Commissioner Samples, second by Commissioner Marin, to suggest that the Commission approve the Chair draft a letter to the City Council recommending what was just recorded (stated they would watch Zoom later to recapture the information) and recommend the City Council agendaize it and discuss it at Council's earliest opportunity. Motion carried 7-0 by roll call.

Vote by Roll Call:

AYES:	Allen, Jeste, Marin, Woodham, Samples, Sherbin, Chair Castle
NOES:	None
ABSENT:	None
ABSTAIN:	None

K. MEMBER ITEMS AND REFERRALS TO STAFF

Commissioner Woodham mentioned the City approved the \$90 million bond issue for Fire and Police and asked if the Commission would be involved in the RFP and asked for clarification on how that would be handled.

City Treasurer Solomon responded that when the final results come forward, which is hopefully up where they are currently at the 71% level with the voters' approval, they will have an internal discussion on the process and would go out to select the municipal advisory group, bond counsel and the group that would help them with the bond issuance and all of that would help in the selection of the candidates and the RFP process would follow.

Interim Finance Director Meyer added that once they have their recommendations in all parts of the process, they would share it with the Commission for their input; mentioned taking an item to Council on December 3rd and that would be the first overview of the process and they will keep the Commission updated and involved.

L. ADJOURNMENT – 8:26 P.M.

There being no further business to come before the Budget and Finance Commission, Chair Castle adjourned the meeting at 8:26 p.m. to a Regular meeting to be held at 6:30 p.m. on Thursday, December 12, 2024 in the Redondo Beach City Hall Council Chambers 415 N. Pacific Coast Hwy. Redondo Beach, California. There being no objections, Chair Castle so ordered.

All written comments submitted via eComment are included in the record and available for public review on the City website.

Respectfully submitted:

Stephanie Meyer
Interim Finance Director



REGULAR MEETING OF THE BUDGET AND FINANCE COMMISSION – 6:30 P.M.

A. CALL TO ORDER

A Regular Meeting of the Redondo Beach Budget and Finance Commission was called to order at 6:30 p.m. by Chair Sherbin, in the City Hall Council Chambers, 415 Diamond Street, Redondo Beach, California.

B. ROLL CALL

Commissioners Present: Marin, Jeste, Vice Chair Allen, Castle, Woodham, Samples, Chair Sherbin

Commissioners Absent: None

Officials Present: Stephanie Meyer, Interim Finance Director
Nilesh Mehta, Chief Deputy City Treasurer
Erin Smith, Administrative Analyst

C. SALUTE TO THE FLAG

Chair Sherbin led in a salute to the flag.

Chair Sherbin thanked all the Commissioners for their assistance in preparing the letter that was sent to the City Council regarding the reduction in the reserves; gave a special thanks to Commissioner Samples and to Administrative Analyst Erin Smith in their big part in the drafting of the letter.

D. APPROVE ORDER OF AGENDA

Motion by Commissioner Woodham, seconded by Commissioner Marin, to approve the order of agenda. Motion carried 7-0.

E. BLUE FOLDER ITEMS - ADDITIONAL BACK UP MATERIALS

E.1. BLUE FOLDER

Administrative Analyst Smith confirmed there were no Blue Folder Items.

F. CONSENT CALENDAR

F.1. APPROVAL OF AFFIDAVIT OF POSTING FOR THE REGULAR BUDGET AND FINANCE COMMISSION MEETING OF DECEMBER 12, 2024

Motion by Commissioner Castle to approve the order of the Consent Calendar. Motion carried 7-0, by voice vote.

G. EXCLUDED CONSENT CALENDAR ITEMS

None.

H. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

Jim Mueller, District 5, gave some background on himself; stated he has an MBA, worked managed and owned businesses; noted that he has learned through his career that funds allocated for maintenance of critical infrastructure is necessary; stated he was shocked to find out that RB fire and police facilities have not been maintained for years and that money was not allocated for maintenance; questioned the decision making process of mayors and council persons that have neglected it for years; emphasized it is even more disturbing since the RB fire and police are so beloved by the City; stated that the takeover proposed by County Fire was rejected; stated due to this neglect the current Council has asked voters to pass a huge bond issue for “catch up” maintenance which will burden the City for years; mentioned the allocation of funds by the City to other “crowd pleasing” projects such as the boat launch, swimming lagoon or public arts; asked the Commission what they would propose for annual maintenance going forward for the police and fire facilities.

Administrative Analyst Smith confirmed there were no other public comments.

I. ITEMS CONTINUED FROM PREVIOUS AGENDAS

None.

J. ITEMS FOR DISCUSSION PRIOR TO ACTION

J.1. ITEMS FOR DISCUSSION PRIOR TO ACTION

J.2. CALPERS AND CITY OF REDONDO BEACH UPDATE – PRESENTATION TO THE CITY OF REDONDO BEACH
CONTACT: STEPHANIE MEYER, INTERIM FINANCE DIRECTOR

Interim Finance Director Stephanie Meyer introduced Simone Parker from CalPERS (via Zoom); stated Simone Parker is the Assistant Division Chief of the CalPERS Stakeholder Office and will be leading the presentation.

- CalPERS and City of Redondo Beach Update
 - CalPERS By the Numbers
 - 75% Funded Status Estimate
 - 2,313,916 CalPERS Members
 - \$43,819 Average Annual Pensions for all retirees
 - \$32.8 Billion Annual Pension Benefits Paid
 - Funding CalPERS Pensions
 - CalPERS Pension Buck: 1 20-year Average as of June 30, 2024
 - For every dollar paid: 55 cents comes from CalPERS investment earnings, 34 cents comes from employers, and 11 cents comes from members
 - PERF Net Investment Returns
 - Current investment rate of return goal is 6.8%
 - CalPERS management team is currently managing \$531.6 billion in assets as of December 2024
 - Returns by Asset Class (as of June 30, 2024)
 - Asset classes: Public Equity, Fixed Income, Private Equity, Real Assets, and Private Debt
 - Summarized the net rate of return for each asset class
 - Investing in California
 - For FY in June 30, 2023 CalPERS invested 13.1% of funds in California investments; that totaled \$60.8 billion
 - 170, 591 estimated jobs supported in CA from CalPERS' private market investments
 - The Two Components of Employer Contributions
 - Normal Cost – These are the value of the benefits allocated to the upcoming year for the City's active employees; expressed as a percent of pensionable payroll and contribution rates
 - Unfunded Accrued Liability (UAL) – When the plan experience differs from the actual assumptions.
 - Investment Gains/Losses are Phased in Over Many Years
 - Current amortization policy allows for rates to be ramped in over five years to smooth out sharp spikes in their contribution rates
 - Actuarial Valuation Overview
 - Most recent valuation (as of 6/30/2023) reflects a 6.8% discount rate, 2.3% inflation assumption, approximately 6.1% investment return in FY 2022-23, and experience with the Miscellaneous Plan was roughly neutral and unfavorable for the Safety Plan
 - The City's next valuation will reflect a 9.5% investment return in FY 2023-24
 - Projected UAL Payments by Plan
 - Miscellaneous Plan
 - Safety Plan – larger due in part to unfavorable non-investment experience
 - Provided a graph on the Miscellaneous Plan and the Safety Plan

- Total Employer Contributions (Normal Cost + UAL Payment)
- Funded Ratio for City and Comparable Plans at June 30, 2023
 - Provided a comparison on the City’s Miscellaneous Plan and comparable plans and the City’s Safety Plan and comparable plans

Commissioner Woodham asked for some numbers from Simone Parker and she said she will look into it and get back to him if available.

- Pension Outlook Tool
 - Available on myCalPERS and CalPERS website
 - Explained how the site works
 - Can answer questions clients have and calculate scenarios
- Asset Liability Management (ALM) Timeline
 - The goal of the ALM process is to make sure their pension liabilities align with their investment approach
 - During the process the Board reviews its overall risk
 - Explained future plans

Questions and discussion followed.

Commissioner Woodham asked for some numbers from Simone Parker and she said she will work on it and get back to the Commission.

Commissioner Castle asked for the updated version of the presentation with the new numbers. Interim Finance Director Meyer said yes.

Commission Woodham asked for a quarterly report from CalPERS; Interim Finance Director deferred to Simone Parker; Commissioner Woodham opined this should be something that should be given to them without jumping through hoops.

Simone Parker referred to the CalPERS website and offered to send the link as well as provide feedback to her team about sending a quarterly report.

More discussion followed.

Administrative Analyst Smith confirmed there were no public comments.

Motion by Commissioner Samples, seconded by Commissioner Castle, to receive and file the CalPERS and City of Redondo Beach Update as presented.
Motion carried 7-0.

Vote by Roll Call:

AYES:	Marin, Jeste, Allen, Castle, Woodham, Samples, Chair Sherbin
NOES:	None
ABSENT:	None

ABSTAIN: None

K. MEMBER ITEMS AND REFERRALS TO STAFF

Chair Sherbin made a proposal to add a discussion item to change roles with Vice Chair Allen; Chair Sherbin stated he looked at the responsibilities of the Chairperson and does not feel he will have the time to devote to the role. He asked if this could be added to the January 9, 2025 agenda.

Commissioner Samples clarified that Chair Sherbin is making a referral to Staff asking them to put it on the agenda to discuss.

Interim Finance Director Meyer stated that the Mayor and Council were very appreciative of the letter regarding the reserves; the City Manager believes it is in his area to coordinate with the Council and intends to have discussions along with the mid-year budget.

Interim Finance Director Meyer addressed Measure FP next steps; stated the bond was certified with 71.4% in favor; reported Staff will have it finalized and posted later that evening, then it will go to Council next week on the 17th with an overview of Staff's action and proposed next steps; noted that the report does mention the Budget and Finance Commission and their role in the process; she will add the report to their January 9th meeting and at that time will discuss the Commission's role in the process; stated the meeting will also involve the selecting of a representative from the Commission to work with Staff.

Commissioner Woodham mentioned his disappointment at the reporting from CalPERS; felt they need to make CalPERS accountable for the poor reporting; felt they can not do a good job at reporting if they do not have this information.

Interim Finance Director Meyer addressed these issues and indicated she will remedy the concerns from the Commission.

Commissioner Jeste referenced an L.A. Times article from October 29th stating Redondo Beach brought the homeless numbers to functionally zero and congratulated the City; wanted to know how much money the City has spent on the homeless programs, where the funds have come from, and requested more visibility on where the funds are coming from so they can budget for it.

More discussion followed regarding the funding for the homeless.

More discussion followed regarding CalPERS.

Commissioner Allen addressed Jim Mueller's question from earlier in the meeting regarding funds for the Police and Fire facilities; stated the City's challenge is receiving revenue due to voters of Redondo Beach continually voting against bringing in new development; argued if the City does not bring new businesses into RB they cannot generate revenue; stated voters said in the last election they would rather pay themselves for the repairs then bring in new developments.

Jim Mueller said he appreciates the comment but does not agree with her insight; he stated she missed his point.

Discussion followed between Jim Mueller and Commissioner Allen.

Interim Finance Director Meyer pointed out this item is not on the agenda.

Administrative Analyst Smith confirmed there were no public comments.

L. ADJOURNMENT – 7:25 P.M.

There being no further business to come before the Budget and Finance Commission, Chair Sherbin adjourned the meeting at 7:25 p.m. to a Regular meeting to be held at 6:30 p.m. on Thursday, January 9, 2025 in the Redondo Beach City Hall Council Chambers 415 N. Pacific Coast Hwy. Redondo Beach, California. There being no objections, Chair Castle so ordered.

All written comments submitted via eComment are included in the record and available for public review on the City website.

Respectfully submitted:

Stephanie Meyer
Interim Finance Director



REGULAR MEETING OF THE BUDGET AND FINANCE COMMISSION – 6:30 P.M.

A. CALL MEETING TO ORDER

A Regular Meeting of the Redondo Beach Budget and Finance Commission was called to order at 6:30 p.m. by Chair Sherbin, in the City Hall Council Chambers, 415 Diamond Street, Redondo Beach, California.

B. ROLL CALL

Commissioners Present: Marin, Jeste, Vice Chair Allen, Castle, Woodham, Samples, Chair Sherbin

Commissioners Absent: None

Officials Present: Stephanie Meyer, Interim Finance Director
Erin Smith, Administrative Analyst

C. SALUTE TO THE FLAG

Chair Sherbin led in a salute to the flag.

D. APPROVE ORDER OF AGENDA

Motion by Commissioner Woodham, seconded by Commissioner Samples, to approve the order of agenda. Motion carried 7-0.

E. BLUE FOLDER ITEMS - ADDITIONAL BACK UP MATERIALS

E.1. BLUE FOLDER

Administrative Analyst Smith confirmed there were no Blue Folder Items.

F. CONSENT CALENDAR

F.1. APPROVAL OF AFFIDAVIT OF POSTING FOR THE REGULAR BUDGET AND FINANCE COMMISSION MEETING OF JANUARY 9, 2025

Motion by Commissioner Castle, seconded by Commissioner Woodham, to approve the order of the Consent Calendar as presented. Motion carried 7-0, by voice vote.

G. EXCLUDED CONSENT CALENDAR ITEMS

None.

H. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

Administrative Analyst Smith confirmed there were no other public comments.

I. ITEMS CONTINUED FROM PREVIOUS AGENDAS

None.

J. ITEMS FOR DISCUSSION PRIOR TO ACTION

J.1. DISCUSSION AND ACTION RELATED TO CHAIRPERSON AND VICE-CHAIR POSITIONS

Chair Sherbin thanked the Commissioners for their trust in appointing him Chair; stated that his prior commitments are conflicting with his ability to do a quality job as Chair; gave a rundown on his workload and asked the commission to consider moving Vice Chair Allen to the Chair role; asked Vice Chair Allen if she would be open to taking the Chair position.

Vice Chair Allen responded favorably and no other commissioners had opposition to the change.

Administrative Analyst Smith confirmed there were no public comments.

Motion by Commissioner Samples, seconded by Commissioner Castle, to swap the Chair and Vice Chair as suggested to be effective as of February 13, 2025.

Motion carried 7-0.

Vote by Roll Call:

AYES:	Marin, Jeste, Vice Chair Allen, Castle, Woodham, Samples, Chair Sherbin,
NOES:	None
ABSENT:	None
ABSTAIN:	None

J.2. DISCUSSION OF CITY MAINTENANCE

CONTACT: STEPHANIE MEYER, INTERIM FINANCE DIRECTOR

Vice Chair Allen referenced the last meeting where a resident made a public comment; stated he felt this Commission should be responsible for creating a budget for repairs and maintenance for the City facilities; Vice Chair Allen agreed with that statement and wanted to discuss that further with the Commission; posed the question to the Commission of should they have a place in the budget for maintenance of the City's buildings; confirmed they do not currently have it in the budget; opined the resident's point was valid.

Chair Sherbin asked for direction from Interim Finance Director Meyer.

Interim Finance Director Meyer stated she would need to have a discussion with Public Works to get all the details needed; noted that the Finance Department does budget for maintenance every year and it is visible in the City's budget and can share it with the Commission; pointed out that the real issue with the City's buildings is that many were built in the 1950's and at some point they are obsolete; noted the City also had to focus on their highest priority with the bond and that was public safety; suggested they can have a discussion regarding whether the City can do more towards the maintenance of their buildings and whether they can do something to extend the longevity of the buildings; noted that the Public Works director would need to be involved in that discussion; reiterated that the City does put money aside to maintain their buildings.

More discussion followed regarding the public comment and the use of tax payers' money going towards the maintenance of the City's buildings.

Commissioner Castle mentioned Measure FP and the need to replace the stations; stated comments have been made questioning why hasn't the City set aside funds annually for these situations; noted the age of the buildings is a factor since they were built for the situations at that time and things have changed and the equipment and trucks have evolved and can no longer fit in the older buildings; agreed that a discussion with the City Manager and Public Works needs to take place and they need to reevaluate funds needed for the City's buildings.

More discussion followed regarding Measure FP and other facilities besides Fire and Police that need replacement and future replacements; felt other cities have the same issues they have; spoke of needing to be more proactive instead of reactive.

Interim Finance Director Meyer stated the City is maintaining their buildings but that situations do happen; more discussion followed regarding budgets of departments and processes that need to be followed.

Interim Finance Director Meyer mentioned that the Commission needs to focus and think of priorities and where all these items fall within their priorities.

Vice Chair Allen stated that the City needs to generate more revenue to be able to put more funds aside for maintenance, repair and replacement of City facilities; asked for ideas on how to create more revenue.

More discussion followed on the next steps needed to move forward; mentioned having a discussion with the City Manager to go over City projects and to also speak with Public Works to get a better idea of what to plan for before budget submittal.

Commissioner Jeste suggested City Manager Witzansky attend the next 3-4 months of Commission meetings so they can have a discussion in real time.

Commissioner Samples stated City Manager Witzansky is probably too busy to attend but it might be better to have the Public Works Director come to answer questions.

Interim Finance Director Meyer stated it is difficult to be prepared to answer questions that were not on the agenda; suggested that she can be more prepared if they place items on the agenda for her to do research before the meetings.

More discussion followed regarding which Staff members would be helpful to have discussions with prior to Budget Review.

Interim Finance Director Meyer offered to speak to the Public Works Director and the City Manager to find out the most effective course to plan for the budget along with the Commission.

Administrative Analyst Smith confirmed there were no public comments.

Motion by Commissioner Samples, seconded by Vice Chair Allen, to table the item until they can get an appropriate representative from Public Works to discuss the item with the Commission in preparation for their meeting with the City Manager and going into the budget cycle.

Motion carried 7-0.

Vote by Roll Call:

AYES:	Marin, Jeste, Vice Chair Allen, Castle, Woodham, Samples, Chair Sherbin,
NOES:	None
ABSENT:	None
ABSTAIN:	None

J.3. MEASURE FP NEXT STEPS

CONTACT: STEPHANIE MEYER, INTERIM FINANCE DIRECTOR

Interim Finance Director Meyer stated she will provide a presentation similar to the December 17th City Council meeting presentation; stated the purpose will be to give the Commission a high-level overview of the City's strategy and approach to implementing Measure FP including some immediate next steps.

The presentation included:

- Measure FP Implementation Update
 - Overview: Measure FP Approved on November 5, 2024
 - 71.4% of RB voters
 - \$93,350,000 General Obligation Bond Measure
 - Replace: Fire Station 1, Fire Station 2, and the Main Police Station
 - Renovate: Police Annex
 - Immediate Next Steps
 - RFI/RFQ for a Financial Advisor – to manage the process
 - Approve a Reimbursement Resolution – to help track and recover

Commissioner Woodham mentioned the City had used Kosmont consultants before and asked if they will be using them again.

Interim Finance Director Meyer mentioned they have invited them to participate but wanted to open it up to other companies and then they will select an advisor; stated they wanted to do a more competitive selection process this time.

Vice Chair Allen noted that Kosmont is extremely expensive to use.

Interim Finance Director Meyer continued with the presentation.

- RFI/RFQ for a Project/Construction Management Firm

Discussion ensued as to why they would bring on a construction management company prior to design.

Commissioner Samples asked how they came up with \$93,350,000 budget if they have not come up with a design, or any prework and the City is about to start construction.

Interim Finance Director Meyer stated the City is not ready to start construction; mentioned they worked with a firm that does cost estimating within certain parameters to develop a very detailed estimate for the construction work.

Commissioner Samples stated they have heard the fire stations and the police station are all too small; wondered if the \$93, 350,000 includes property acquisition in order to build.

Interim Finance Director Meyer stated the City does not intend to acquire more property but that the amount includes contingency and that Council added an additional 5% on top of that; felt the City is confident the amount is sufficient for the work they want to do.

Commissioner Woodham mentioned the devastation they have all seen recently; opined the estimates they have given for capital expenditures will be thrown out because the City will be rebuilding what has been destroyed; felt the \$93,350,000 may be taken by things beyond their control.

More discussion ensued regarding preparing for the unexpected issues.

Interim Finance Director Meyer continued with the presentation.

- Select Bond Counsel
- Consider establishing a Special Project Manager Position – along with existing Staff but expressed the need for a full-time person dedicated to the project.

More discussion ensued regarding a Disclosure Counsel and the need for one.

- Building a Financial Team
 - Secure Expert Partners in Multiple Areas: Financial advisor, underwriter(s), bond counsel, disclosure counsel, and a trustee and/or fiscal agent
- Project Planning and Delivery
 - Internal Staff and Outside Consultants – project dedicated
 - Multiple departments
 - Project/Construction management firm – serve as City’s Bond Program Manager
 - Considering Additional Staffing
 - Internal resource dedicated to Measure FP implementation
 - Serve as the day-to-day Owner’s representative – single point of contact for City Staff and outside firms.
- Additional Considerations
 - Establish a reimbursement resolution – tracking of expenses
 - Temporary facilities – need to continue services during construction
 - Bond Oversight Committee – appointed by Mayor and Council to focus exclusively on expenditure of funds
 - Hope to get Financial Advisor and Bond Counsel by February
- Recommendation
 - Receive and file the report
 - Tonight, nominate a member of the Budget & Finance Commission to serve on selection committees for members of the Bond Financing Team.

Chair Sherbin suggested opening up the discussion to choose a Commissioner to serve on the committee.

Interim Finance Director Meyer commented that traditionally the Commission nominates the Chair to serve.

Chair Sherbin recommended Commissioner Woodham for the committee.

Commissioner Woodham responded favorably to serving on the committee.

Administrative Analyst Smith confirmed there were no public comments.

Motion by Commissioner Castle, seconded by Vice Chair Allen, to have Commissioner Woodham as serve as their designee on the committee to choose members for the Bond Financing Team. Motion carried 7-0.

Vote by Roll Call:

AYES:	Marin, Jeste, Vice Chair Allen, Castle, Woodham, Samples, Chair Sherbin,
NOES:	None
ABSENT:	None
ABSTAIN:	None

Motion by Commissioner Castle, seconded by Commissioner Woodham, to receive and file the report as presented by Interim Finance Director Meyer. Motion carried 7-0.

Vote by Roll Call:

AYES:	Marin, Jeste, Vice Chair Allen, Castle, Woodham, Samples, Chair Sherbin,
NOES:	None
ABSENT:	None
ABSTAIN:	None

K. COMMISSION MEMBER ITEMS AND FUTURE COMMISSION AGENDA TOPICS

Commissioner Samples wanted to address a topic that the Commission has brought up several times; stated the City still does not have a consolidated cost to deal with the City's homeless situation; he stated he would like to know what it has cost the City in the last three years to deal with the homeless population; requested a consolidated cost including all the departments in the City that deal with the situation.

Commissioner Castle mentioned the City receives grants for specific situations and wanted to know the total.

Vice Chair Allen stated they should put that on the agenda to be discussed.

Interim Finance Director Meyer stated she has discussed this with the City Manager since the Commission has brought it up a few times; mentioned it is one of many mounting items where they need to pull resources together in order to look at it.

Chair Sherbin noted it is going to be an ongoing item for discussion since the numbers will continuously change depending on economic situations; suggested a concept should be created and possibly be called a “Benefits Center” to anticipate the growing demands from each department for the homeless situation.

Interim Finance Director Meyer stated each department has processes in place and the architecture is there but it will take time and resources to do it correctly.

More discussion ensued on how each department tracks their involvement and resources towards the homeless situation.

Commissioner Jeste brought up the topic of using AI to gather the data and analysis from each department and calculate the results; mentioned wanting to have someone from the IT department join in the Commission meetings to go over that and cyber security.

Interim Finance Director Meyer suggested having a meeting to discuss all the agenda items they spoke about tonight and past items that have not been resolved and figuring out how to prioritize them.

Vice Chair Allen said other cities use an account code; stated the account code is inputted for any expenses related to that account can be tracked and managed.

Commissioner Samples stated that most of the resources dedicated to the homeless is manpower and a bit tougher to calculate in terms of budget.

More discussion followed on how to create some structure to be able to track any homeless costs throughout all City departments.

The Commission asked Interim Finance Director Meyer if they could at least get a simple version or rollup on the homeless and asked for transparency.

More discussion ensued regarding grant funding and data checking.

Commissioner Jeste asked if they can have the IT Director come to a Commission meeting.

Chair Sherbin asked how they make this be a continuous item.

Vice Chair Allen stated they need to put it on the agenda every month until they get an answer.

More discussion ensued on having the homeless and building maintenance items remain under “Items for Discussion” or “Items Continued” each month until resolved.

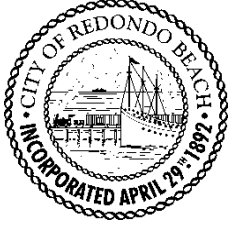
L. ADJOURNMENT – 7:42 P.M.

There being no further business to come before the Budget and Finance Commission, motion by Commissioner Samples, seconded by Commissioner Castle, to adjourn the meeting at 7:42 p.m. to a Regular meeting to be held at 6:30 p.m. on Thursday, February 13, 2025 in the Redondo Beach City Hall Council Chambers 415 N. Pacific Coast Hwy. Redondo Beach, California. There being no objections, Chair Sherbin so ordered.

All written comments submitted via eComment are included in the record and available for public review on the City website.

Respectfully submitted:

Stephanie Meyer
Interim Finance Director



REGULAR MEETING OF THE BUDGET AND FINANCE COMMISSION – 6:30 P.M.

A. CALL MEETING TO ORDER

A Regular Meeting of the Redondo Beach Budget and Finance Commission was called to order at 6:30 p.m. by Chair Allen, in the City Hall Council Chambers, 415 Diamond Street, Redondo Beach, California.

B. ROLL CALL

Commissioners Present: Marin, Jeste, Vice Chair Sherbin, Woodham, Samples, Chair Allen

Commissioners Absent: Castle

Officials Present: Stephanie Meyer, Interim Finance Director
Eugene Solomon, City Treasurer
Nilesh Mehta, Deputy City Treasurer
Erin Smith, Administrative Analyst

C. SALUTE TO THE FLAG

Chair Allen led in a salute to the flag.

D. APPROVE ORDER OF AGENDA

Motion by Commissioner Samples, seconded by Commissioner Woodham, to move Item J.1 before Item I.1 and approve the order of agenda. Motion carried 6-0-1.

Vote by Roll Call:

AYES: Marin, Jeste, Vice Chair Sherbin, Woodham, Samples, Chair Allen

NOES: None

ABSENT: Castle

ABSTAIN: None

E. BLUE FOLDER ITEMS - ADDITIONAL BACK UP MATERIALS

E.1. BLUE FOLDER

Administrative Analyst Smith confirmed there was a Blue Folder item from the City Treasurer (Item J.1.).

Motion by Commissioner Samples, seconded by Commissioner Woodham, to receive and file the Blue Folder item J.1. as presented from the City Treasurer.

Motion carried 6-0, by voice vote.

F. CONSENT CALENDAR

F.1. APPROVAL OF AFFIDAVIT OF POSTING FOR THE REGULAR BUDGET AND FINANCE COMMISSION MEETING OF FEBRUARY 13, 2025

CONTACT: STEPHANIE MEYER, INTERIM FINANCE DIRECTOR

Motion by Commissioner Marin, seconded by Commissioner Samples, to approve the order of the Consent Calendar as presented. Motion carried 6-0-1, by voice vote. Commissioner Castle was absent.

F.2. APPROVAL OF THE MINUTES FROM THE REGULAR BUDGET AND FINANCE COMMISSION MEETINGS OF MARCH 29, 2024

CONTACT: STEPHANIE MEYER, INTERIM FINANCE DIRECTOR

Chair Allen commented that the minutes are from almost a year ago; stated she has a solution for this because it is not realistic for them to remember what happened that far back and approve it; asked, moving forward, that the minutes be caught up in a way that next time the previous meeting's minutes and April 2024 minutes are both brought to the Commission so they can approve two sets of minutes.

Administrative Analyst/Liaison Smith clarified that the March 29, 2024 minutes were from a special meeting that must have slipped through the cracks for some reason; stated that there was also a special meeting in May that will be brought to the Commission and that should catch them up; noted that she has received December's minutes and they will be presented for approval at the next Commission meeting and possibly January's as well.

Motion by Commissioner Marin, seconded by Commissioner Samples, to approve the order of the Consent Calendar as presented. Motion carried 6-0-1. Commissioner Castle was absent.

Vote by Roll Call:

AYES:	Marin, Jeste, Vice Chair Sherbin, Woodham, Samples, Chair Allen
NOES:	None
ABSENT:	Castle

ABSTAIN: None

G. EXCLUDED CONSENT CALENDAR ITEMS

None.

H. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

Administrative Analyst Smith confirmed there is a visitor on Zoom and Greg Balls is here; stated no items were received from the audience; noted that the City did receive an email which she read to the Commission: "I respectfully request the status from the Budget and Finance Commission of replacing the Veterans Memorial plaques that were stolen a year ago. The City needs to find the funds to replace these plaques and to honor our veterans. This should be put on the agenda for discussion and action and as a high priority." From Kathy McLeod.

Chair Allen requested that be added to the agenda for the next meeting.

Interim Finance Director Meyer stated she wanted to add one item; noted it is the subject of a Budget Response Report that they will provide to City Council along with the mid-year presentation next Tuesday the 18th; stated they can add it to the agenda and that may provide the responses that Kathy McLeod is looking for.

I. ITEMS CONTINUED FROM PREVIOUS AGENDAS

I.1. HOMELESS FUNDING

CONTACT: STEPHANIE MEYER, INTERIM FINANCE DIRECTOR

Interim Finance Director Meyer summarized what the Commission was requesting, how her department could pull the information together, and when Staff has the capacity to focus on the task; stated they are able to answer one of the basic questions the Commission had asked; noted she spoke to the City Manager and other City Staff internally and identified the documents they have shared with the Commission to help answer their question; referred to FY 2023 document that provides a comprehensive overview of the various buckets related to homelessness and the funding sources; additionally she has provided the Commission with all the reports that have gone to Council in the past two FYs related to homelessness funding; recognized this is not exactly what the Commission is asking for but wanted to bring something to support their conversation on this topic.

Chair Allen stated her understanding was that the Finance Department was going to give the Commission a summary and explain what numbers they should look at; asked Interim

Finance Director Meyer to open the files she sent to the Commission and explain what they should be looking at.

Commissioner Samples noted that many of the files that were sent have been closed out; clarified that the Commission is asking about the current year and going forward what is this costing the City to fund and manage the homeless situation.

Interim Finance Director Meyer reiterated that what she has prepared for them is not meant to be a comprehensive response to all the questions that were brought up at the last meeting; noted she was not the author of the document she provided but felt the document breaks it out into pieces such as Public Works, Fire, Police, grant funding and the City Attorney's office; it is a basis to which the Commission can look at the categories it has broken out and decide moving forward if that is how they would like it to be spelled out; stated that the Finance Department would like to have more direction from the Commission on what they would like to see; suggested that the Commission let Council know what they are looking for.

Chair Allen stated that Commissioner Jeste asked for information on what money the City has spent so far on homelessness and would like to know how they can find those numbers.

Interim Finance Director Meyer stated that unfortunately she was not able to commit to Commissioner Jeste last time that she would be able to come back this meeting with this information.

Vice Chair Sherbin stated he has had extensive background in cost accounting over the last 30 years initiating and managing cost accounting; felt the first step would be to categorize the grants and understood that the Finance Department seems to have a good handle on the incoming side but need to develop an architecture, that the City may not even have in place, in order to be able to determine what the specifics are in handling the homeless situation; suggested that each department that deals with the homeless should have an ability to track what resources are used; noticed that estimates have been provided in the past but that they need to be able to put an actual value on the services provided or funds used; gave some examples of situations and how to track them.

Interim Finance Director Meyer stated she has looked at other programs and what other cities have done; stated this will require a lot of time and effort to set up all the structures that the Commission is asking of the department; stated that Council has not directed the Finance Department to prepare this in the past and it is not the way their budgets are set up; stated it is not something they cannot do but they will need direction from Council to do that.

Vice Chair Sherbin suggested that the Commission make City Council know how important this is so that they can give the Finance Department direction.

Interim Finance Director Meyer steered it back to the document she provided; stated it is one reason she shared it with the Commission as it goes through the areas on this item.

Discussion followed regarding the materials Interim Finance Director Meyer provided; highlighted items in the document that may or may not be needed; questioned grant funding supporting homelessness and what happens if there is no grant funding; the need to find out exactly how much money the City is spending on the homeless situation and how to figure out the future spending.

Discussion continued on asking the City Manager, Public Works, Police and Fire to be prepared to answer these questions during the budget meeting coming up.

Chair Allen referred back to the last meeting where they asked for a rough estimate plus or minus 20% of how much the City has spent on the homeless; voiced her concerns and asked Interim Finance Director Meyer what the City has budgeted this year for the homelessness.

Interim Finance Director Meyer stated she does not have that number.

More discussion ensued on the City's lack of architecture to track the spending; suggested to start with tracking the grant funding since that is an easy thing to track.

Interim Finance Director Meyer stated that each department that handles homeless issues does some level of tracking; noted that it is not consistent and Council has not made it a priority to report information in this fashion to the departments.

More discussion ensued about transparency and creating an action plan to be able to track homeless funding; drafting an email to Council requesting direction on tracking resources used for homeless.

Administrative Analyst Smith confirmed there were no public comments but they do have an eComment from Austin Carmichael; Analyst Smith read the email out loud.

Chair Allen asked for that eComment to be attached to the agenda for next time.

Administrative Analyst Smith confirmed there were no other public comments.

Discussion followed regarding the motion and if the letter to Council should be included, who should draft the letter, and how it should be reviewed, signed and delivered to Council.

Chair Allen, Vice Chair Sherbin and Commissioner Jeste agreed to be the committee to draft the letter.

Motion by Commissioner Samples, seconded by Commissioner Marin, to direct Chair Allen, Vice Chair Sherbin and Commissioner Jeste to put together a letter to the City Council and move it forward at the earliest opportunity. Motion carried 6-0-1. Commissioner Castle was absent.

Interim Finance Director Meyer mentioned that after the letter is created that the committee can email it to herself and Erin Smith to format it for them before sending it over to Council.

I.2. BUILDING MAINTENANCE/REPLACEMENT PLANNING

CONTACT: STEPHANIE MEYER, INTERIM FINANCE DIRECTOR

Interim Finance Director Meyer stated that her department does not have anything on this topic tonight; noted that the Commission wanted to keep it on the agenda; mentioned the Commission will see the Public Works director in the lead up to the budget process; stated she spoke to the City Manager and they agreed they would like the Commission's expertise in the coming year on the internal service funds and advanced planning.

Motion by Commissioner Samples, seconded by Commissioner Marin, to receive and continue the item on the agenda to the next meeting. Motion carried 6-0-1. Commissioner Castle was absent.

J. ITEMS FOR DISCUSSION PRIOR TO ACTION

J.1. CITY TREASURER'S QUARTER 2 FISCAL YEAR 2024-2025 REPORT

CONTACT: EUGENE SOLOMON, CITY TREASURER

City Treasurer Solomon presented a PowerPoint of the fiscal year 2024-2025 Quarter 2 report ending on December 31, 2024; introduced consultant Greg Balls from the Meeder Group and Deputy City Treasurer Nilesh Mehta.

Deputy City Treasurer Mehta took over the presentation; stated the information is all in the packet they received; the presentation included:

- Treasurer's Quarterly Admin Report
 - Treasurer's portfolio summary
 - Investment reporting guidelines
 - Investment report by Meeder Investment
 - Portfolio summary
 - Investment policy compliance
 - Investment activity report
 - Economic and market update
- Treasurer's Report PowerPoint Presentation
 - Investment reporting objectives/guidelines
 - Policy compliance
 - Quarterly performance
 - Historical book value
 - Cash flow analysis

- Month-end portfolio book yield
- Maturity distribution
- Trading activity
- Fiscal impact
- Key Investment Objectives for Municipal Investing – The City Treasurer maintains the City’s cash flows while earning a competitive rate of return on the investments within the constraints of the City’s investment policy and state law.
 - Safety – Protect principal
 - Liquidity – Provide necessary liquidity to cover both ongoing and unexpected cash needs
 - Yield – Maximize earnings recognizing need for safety and liquidity, and subject to restrictions specified by state statutes and the local governing body
- Investment Reporting Guidelines – CMTA
 - Always remember whose money it is and act according in a responsible stewardship capacity
 - An investment manager’s objective is to earn a reasonable rate of return on the City’s investments but not expose the City to an unacceptable level of risk
 - Failures in public investing occur when either: policies were not clear, policies were inappropriate; policies were not followed or oversight was inadequate
 - Questions to ask

Deputy City Treasurer Mehta went over the investment policy compliance; summarized and gave amounts for book value, percentage of portfolio, percentage allowed by policy and if it was in compliance.

Chair Allen asked for an update on CAMP.

Deputy City Treasurer Mehta stated, after getting it approved by City Council last quarter, they opened the account with CAMP and at the end of December the City received about \$20 million in property taxes; stated, in January, they invested a significant portion into CAMP and will give more detail at the next presentation; continued with the presentation:

- Performance breakdowns
 - Gave comparison of Investment Portfolio Positions F.Y. 2024-2025
 - Compared 1st Quarter and 2nd Quarter

Commissioner Woodham noted that there was a greater decline from first quarter to second quarter this year than last year; asked what accounted for that decline.

Deputy City Treasurer Mehta stated that it is a combination of two things: one is that there has been an increase in expenditures; the second is the \$20 million that came from property taxes since that came at the end of the quarter it was not accounted for in the chart.

- FY 2023-2024 quarter by quarter comparison of Investment Portfolio Positions
- FY 2021-2022 quarter by quarter comparison of Investment Portfolio Positions
- Noted to look at the interest earned in prior years versus the interest earned now
- Cash Flows Analysis
 - The City has met the cash flow needs of the City for the quarter and expect to meet the expenditure requirements for the upcoming period
- Sector Allocation
 - Noted the data shown was for the end of December and will significantly change because their LGIP (Leif Camp money market fund) had a significant increase in value as of January
- Maturity Distribution
 - Showed percentages from investments that were invested between zero to four years
- Fiscal Impact
 - Interest earned YTD is \$1,070,841.28
 - The general fund contribution rate is 60%. Approximately \$642,505 contributed to the general fund through investment activity
 - Budgeted contribution of interest to the general fund for the entire FY is \$1.5 million

Deputy City Treasurer Mehta turned the presentation over to Greg Balls (via Zoom) from the Meeder Group at approximately 6:46 p.m.

- 2024 Year In Review – highlights
 - The Federal Reserve cut rates; Fed funds rate dropped from 5.5% to 4.5%
 - Economic growth was better than expected
 - U.S. Treasury yield uninverted
 - U.S. Federal debt topped \$36 trillion
 - U.S. unemployment rate climbs from 3.7% to 4.2%
 - Reviewed yielded rates from Dec 2023 comparing 3-month, 2 year, and 3 year percentages
 - Globally banks begin widespread lowering of rates
 - CPI dropped from 3.4% to 2.7%
 - S&P 500 closed near an all time high, up 23% for the year

- “FIGEY” Model of Interest Rates: Fed Policy, Inflation, Growth (GDP), Employment, and Yields
 - Reviewed the Fed Funds
 - Inflation
 - Growth or GDP – Economists’ expectations, Bloomberg survey, and uncertainty of the Trump administration
 - Employment – Unemployment claims
 - Yield Curve Change – U.S. Treasury Yield Curve Change

Chair Allen asked what Meeder’s purchase strategy is based on the information they presented.

Greg Balls responded that it really depends on the cash flow needs of the City; they do know that there are more expenditures coming up for the City.

Chair Allen interjected to clarify her question; asked, minus the liquid the City needs to pay expenses, how is Meeder going to make purchases.

City Treasurer Solomon answered stating they are looking to take more duration to take advantage of some of the higher yields with the safety they have now.

More discussion followed regarding expenses and cash flow.

Interim Finance Director Meyer added that this conversation is an ongoing conversation between the City Treasurer’s office and the Finance Department.

More discussion ensued.

Chair Allen asked to see the chart of maturing investments and City Treasurer Solomon pulled up page 9 of the presentation that listed all the City’s investments with Meeder and when they mature.

Chair Allen asked what investments they have made this year; City Treasurer Solomon stated that no investments were made last quarter outside of money market CAMP.

Commissioner Samples stated that over the last few years the City Treasurer’s office seems to be more on top of this issue more than prior years; commented on the current state of affairs with the new administration, new global economics and thanked the City Treasurer’s office for all they have been doing; stated his only question is can the Commission be reasonably assured that the City’s investments are going to keep pace with or exceed inflation.

City Treasurer Solomon stated the City is always looking at safety first, for liquidity, and then for yield; mentioned in their matrix they would like to be aggressive in outpacing inflation and they focus on liquidity and safety first; if they are allowed to be more

aggressive and don't need to worry about liquidity, they lock in a duration of 2 to 5 years; noted they have a monthly meeting with Meeder where they discuss this topic.

Commissioner Woodham spoke about interest rate matching or exceeding inflation and reminded everyone that inflation can be volatile; stated that the Treasury is at about 4.2% inflation and the City's portfolio return is at about 3.5% and if they can keep inflation below 3% or less, the City can meet that requirement; noted inflation is unpredictable.

City Treasurer Solomon stated when they have opportunities and do not need the liquidity factor met, they do look to lock into 4-to-5-year durations.

Chair Allen asked if the City's next opportunity would be in May and City Treasurer Solomon said it will be July.

Administrative Analyst Smith confirmed there were no public comments.

Motion by Commissioner Samples, seconded by Commissioner Woodham, to receive and file the City Treasurer's Quarter 2 Fiscal Year 2024-2025 Report as presented. Motion carried 6-0-1, by voice vote. Commissioner Castle was absent.

J.2. FISCAL YEAR 2024-25 Q2 FINANCIAL REPORTING: JULY 2024-DECEMBER 2024

CONTACT: STEPHANIE MEYER, INTERIM FINANCE DIRECTOR

Interim Finance Director Meyer first acknowledged all the hard work Analyst Smith has put into the presentation; the presentation included the following:

- General Fund Taxes Q2 FY 2024-25
 - Tax revenue receipts are consistent with prior year and on track with budget
 - Detailed Revenue Source, Actuals vs Prior Year, and Notes
 - Noted that Transient Occupancy Tax is expected to come in the second part of the year when they receive TOT from the Marine Ave hotels
- General Fund Non-tax Q2 FY 2024-25
 - Non-tax revenue is trending higher than prior year
 - Detailed Revenue Source, Actuals vs Prior Year, and Notes
- Other Fund Revenue Q2 FY 2024-25
 - Other fund revenue is in line with prior year
 - Enterprise Funds delta to prior year is driven by the Transit Fund
- Revenue Q2 FY 2024-25
 - Summarized the report
- General Fund Spending Q2 FY 2024-25

- General Fund spending through Dec is in line with budget and consistent with prior year.
 - Personnel spending is higher than in the prior year, reflecting the MOU increases
 - Contracts and services spending ahead of prior year, remains within budget
- Other Fund Spending
 - Total City spending is in line with regular operations
- Expenditure Q2 FY 2024-25
- General Fund Expenditure Rate by Category Q2 FY 2024-25 vs Q2 FY 2023-24
 - CIP Project budget was transferred from the GF to the Capital Projects Fund at Carryover
- All Funds Expenditure Rate by Fund Q2 FY 2024-25 vs Q2 FY 2023-24
- Midyear Overview
 - Proposed changes show revenue upside
 - Taxes: +\$1.2M
 - Charges for Services: positive revenue offsets one-time reduction
 - Internal Services increases: +3.2 million/9%
 - Reflect anticipated cost increases, expect to moderate in next few years
 - Listed out the increased items
 - Net \$1.9 million General Fund increase

Interim Finance Director Meyer noted that they would like to look into reviewing the Internal Services funds in detail and would like the Commission's involvement in that.

- Anticipated approximately \$2.2 million ending fund balance following proposed changes
- Propose no action pending budget discussion/future needs
- Next Steps
 - Budget input with the City Manager

Chair Allen referenced a prior request by Commissioner Jeste; he asked for a budget that is department by department.

Interim Finance Director Meyer responded favorably to the request and asked what the Commission is looking for.

Commissioner Jeste stated he is more interested in what the IT department is doing to keep the City's data safe from cyber attacks and whether the City can utilize AI to help compute information more quickly; requested that Mike Cook come to a Commission meeting and present to them.

More discussion followed on a representative from IT coming to the next meeting, adding it to the agenda, and capital updates; noted that they are blending items J.2 and J.3.

Motion by Commissioner Samples, seconded by Commissioner Marin, to receive and file J.2 as presented. Motion carried 6-0-1, by voice vote. Commissioner Castle was absent.

J.3. DISCUSSION AND POSSIBLE ACTION REGARDING FY 2024-25 MIDYEAR BUDGET

CONTACT: STEPHANIE MEYER, INTERIM FINANCE DIRECTOR

Chair Allen wanted to put on the next agenda an item to discuss the budgets department by department.

Interim Finance Director Meyer stated that Analyst Smith runs department reports every month with the breakdowns the Commission is requesting and they can share that with the Commission.

Motion by Commissioner Marin, seconded by Commissioner Samples, to receive and file J.3 as presented. Motion carried 6-0-1, by voice vote. Commissioner Castle was absent.

J.4. PROPOSED SPECIAL MEETINGS FOR MARCH AND APRIL 2025

Chair Allen asked the Commission if the March and April meetings could be rescheduled since she has conflicts in her schedule; proposed to move the March meeting to March 20th and the April meeting to April 17th.

Discussion followed on the changes and the conflicts; Vice Chair Sherbin did not want to have the meeting dates changed; Interim Finance Director Meyer interjected that the March date would need to be changed anyways due to the City Clerk's office using the room to count ballots.

More discussion followed.

Motion by Vice Chair Sherbin, seconded by Commissioner Marin, to move the March 13th meeting to March 20th. Motion carried 6-0-1, by voice vote. Commissioner Castle was absent.

Administrative Analyst Smith confirmed there were no public comments.

K. COMMISSION MEMBER ITEMS AND FUTURE COMMISSION AGENDA TOPICS

Chair Allen mentioned she is going to put together a list of priority items to discuss and asked to add that to next meeting's agenda; commented on the posting of the Finance Director position and the Commission's involvement in the interview process.

Discussion followed and it was decided that the Commission would be overstepping to ask to be involved in the interview process.

Vice Chair Sherbin asked if the fire impacts the grants for the City; Interim Finance Director Meyer said that is something the City is looking at closely.

L. ADJOURNMENT – 8:30 P.M.

There being no further business to come before the Budget and Finance Commission, motion by Commissioner Samples, seconded by Commissioner Marin, to adjourn the meeting at 8:30 p.m. to a Regular meeting to be held at 6:30 p.m. on Thursday, March 20, 2025 in the Redondo Beach City Hall Council Chambers 415 N. Pacific Coast Hwy. Redondo Beach, California. There being no objections, Chair Allen so ordered.

All written comments submitted via eComment are included in the record and available for public review on the City website.

Respectfully submitted:

Stephanie Meyer
Interim Finance Director



Administrative Report

I.1., File # BF25-0433

Meeting Date: 4/2/2025

TITLE

HOMELESSNESS FUNDING

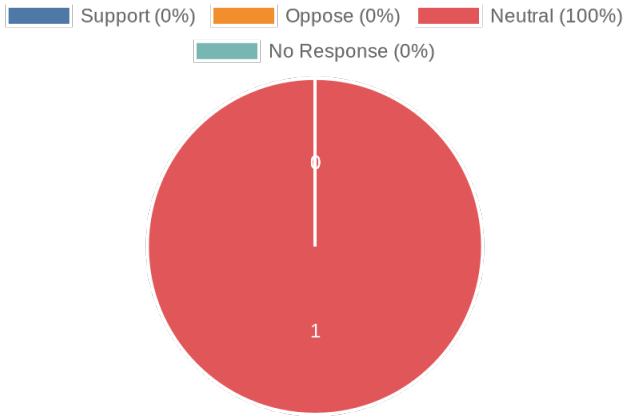
Budget and Finance Commission

April 2, 2025

Active Homelessness-Related Grants: Spending as of March 2025

GRANT/ PROJECT DESCRIPTION	TOTAL GRANT AMOUNT	SPENT THROUGH MARCH 2025	% SPENT
CA DEPT HCD-PERM LOC HSG ALLOC (PLHA)	557,962	472,072	85%
CA STATE JUDICIAL COUNCIL - ENHANCED RESP - HOMELESS PRGRM	500,000	381,601	76%
HEALTH NET - CRISIS & SHLTR	1,338,753	131,627	10%
PALLET EXPANSION 2025 - DISTRICT 2	800,000	-	0%
SBCCOG - FY 2022-23	486,299	192,308	40%
SBCCOG - MOTEL/SINGLE ROOMS	480,150	310,958	65%
Total	4,163,164	1,488,566	36%

Overall Sentiment



Austin Carmichael

Location:

Submitted At: 2:47pm 02-11-25

Hello Commissioners, Redondo Beach Citizen Austin Carmichael here!

I beg your indulgence as I am unsure of what is to be discussed (specific fiscal years reconciliation or topics that have unapplied cash, etc.). I did some digging to get a comprehensive lens of the Redondo Beach Enhanced Response to Homelessness, inclusive of funding, and your total (\$3,806,865) based on the attached appears to fall short of the total funding calculated (\$9,130,902.07) from City Council Meeting Reports. I sent a detailed breakdown of how I reached my number to Interim Finance Director for distribution to the Commission as I wasn't sure if this section would be available for Public Comment. I am happy to see that it is and look forward to the discussion.

To comply with the character count, the finite funding summary below is only inclusive of the funding dates, the source, & the amounts presented to Mayor and City Council. The purpose can be found on the Admin Reports presented at those meetings.

FY19/20 Total: \$245,287; (02/2020) SBCCOG: \$245,287

FY21/22 Total: \$306,299; (01/11/2022) SBCCOG: \$306,299

FY22/23 Total: \$2,092,405.17; (07/21/2022) SBCCOG: \$216,000; (04/18/2023) LA Board of Supervisor Janice Hahn: \$100,000; (04/18/2023) LA CEO: \$250,000; (04/18/2023): \$784,980; (04/18/2023) LACC & CCOGIHS: \$583,971; (04/18/2023) BCHD: \$50,000; (04/18/2023) St. Andrews Presbyterian Church: \$4,000; (04/18/2023) Prior Residents Estate: \$23,454.17; (06/06/2023) SBCCOG: \$80,000

FY23/24: Total: \$4,272,697; (09/19/2023) SBCCOG: \$235,150; (10/17/2023) Assembly Member Al Muratsuchi: \$500,000; (10/17/2023) Judicial Council (Budget modification to appropriate the Intergovernmental Fund; Support City's Enhanced Response to Homelessness): \$500,000; (10/17/2023) California Department of Housing &

Community Development (Budget modification to appropriate to the Intergovernmental Fund): \$557,962;
(11/07/2023) Reallocation of CIP Dollars (Pallet Shelter Expansion): \$768,000; (03/19/2024) SBCCOG: \$27,832;
(04/09/2024) Health Net: \$1,338,753; (06/04/2024) SBCCOG: \$100,000; (06/04/2024) SBCCOG: \$245,000

FY24/25: Total: \$2,214,213.90; (08-20-24) LACCEO: \$800,000; (09/25/2024) LACDOH: \$1,414,213.90

Administrative Report

J.1., File # 25-

Meeting Date: 02/27/2025

To: TBD

From: AUSTIN C. CARMICHAEL

TITLE

REDONDO BEACH ENHANCED RESPONSE TO HOMELESSNESS STATE OF THE UNION

EXECUTIVE SUMMARY

The City of Redondo Beach has engaged in a collaboration and engagement response with the Beach Cities of Manhattan Beach and Hermosa Beach with a topline goal of **enhancing** the **effectiveness** of the LA County Service Systems for those experiencing and/or at-risk of homelessness. An intended consequence of this goal is achieving a Homeless Population of Functional Zero – meaning the number of individuals placed in **interim** or **permanent** housing is greater than the number of individuals who become homeless over a six-month period. Additionally, the homeless population, as a whole, has a median duration on the streets of less than 90 days.

The Redondo Beach Enhanced Response to Homelessness for 2024 Snapshot per Kingdom Causes dba City Net:

- **January – June**
 - Client Interactions: 228
 - Clients Enrolled: 64 (**exceeds** SLA of 50)
 - Positive Exits: 4
 - To Pallet Shelter: 2
 - To Temp Housing: 0
 - To Permanent Housing: 1 (**below** SLA of 10)
 - Clients Living in Car: 13 (**below** SLA of 50% of Clients Enrolled)
 - Clients Reconnected to Services: 37
 - Clients 'Document Ready': 8
 - Services Provided: 119
- **July – December**
 - Client Interactions: 253
 - Clients Enrolled: 80 (**exceeds** SLA of 50)
 - Positive Exits: 11
 - To Pallet Shelter: 5
 - To Temp Housing: 2
 - To Permanent Housing: 4 (**below** SLA of 10)
 - Clients Living in Car: 18 (**below** SLA of 50% of Clients Enrolled)
 - Clients Reconnected to Services: 41
 - Clients 'Document Ready': 12
 - Services Provided: 130

BACKGROUND

On August 17, 2015, in response to the growing crisis of homelessness, the Los Angeles County Board of Supervisors launched a Homeless Initiative (HI), comprised of 51 strategies to prevent

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Meeting Date: 02/27/2025

and combat the pervasive homelessness in the LA County Communities. On March 17, 2017, through Measure H, the voters approved 21 of the 51 ordinances identified in the HI strategies.

Collaboration and Engagement among the 88 cities that make up Los Angeles County began in earnest in 2017 when the Board of Supervisors approved funding to cities to develop their own homelessness plans. In September of 2018, the Board of Supervisors approved \$9M in Measure H funding to be issued via a Request for Proposal (RFP) for LA County Cities to implement their homelessness plans, either as individual cities or multijurisdictional partners.

Common Plan Elements for the Beach Cities of Manhattan Beach, Hermosa Beach, and Redondo Beach were analyzed and the following task list was created for the Homelessness Implementation Grant:

- Creation of detailed internal city protocols in response to homelessness
- Creation of consistent system-level response between the three cities to serve people experiencing homelessness in the Beach Cities travel along the PCH corridor to adjacent cities
- Engagement training for first responders (Beach Cities Police Departments) and City Staff who come in frequent contact with those experiencing homelessness
- Awareness training of what homelessness looks like in the Beach Cities for the rest of City Staff along with a consistent set of service referral protocols
- Strengthen ties with the Coordinated Entry System (CES) and other sub-regional resources to take full advantage of all the services offered through the CES
- Expanding community stakeholders, including but not limited to, the faith community, business sector, and public schools
- Provide information to the general public about homelessness through various city-specific communication vehicles, and
- Hold annual Homelessness Roundtables

Through the City Homelessness Plan Implementation Grant, the South Bay Beach Cities Homelessness Program will consist of a Homeless Coordinator/City Liaison who will be subcontracted to leverage the cities' fiscal and administrative resources to systemize, coordinate and help oversee multi-sectoral homeless efforts to enhance and expand regional access to services. Working in strong coordination with the Beach City Leadership, the Homeless Coordinator/City Liaison will help develop and implement internal city-level homelessness response protocols and Beach City Regional response; tailor training material and lead training sessions with staff; and plan and hold the Annual Homelessness Stakeholder Roundtables.

Additionally, two Homeless Case Managers will be sub-contracted to assist homeless individuals and families by completing the CES Assessment; maintain case notes in Los Angeles Homeless Services Authority's (LAHSA) Homeless Management Information System (HMIS); get participants 'document ready'; and make successful referrals to interim housing, treatment centers, and permanent housing. Over the 18-month contract, at least 200 Beach Cities' homeless residents will receive case management and will be documented per LAHSA's standards. Out of that number, at least 24 will be referred to Interim Housing, 32 clients will be referred to CES and other permanent housing components (e.g. Rapid Re-Housing, Permanent Supportive Housing), and

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at least 50 will be referred to treatment programs. These targets are consistent with LAHSA's performance outcomes.

Each city will be responsible for:

- Providing a homelessness point of contact to coordinate activities internally (e.g. Governing Boards, Executive Management, City Departments) and externally (e.g. with CES, general public, etc.)
- Working with the subcontracted Homeless Coordinator/Liaison to develop internal city protocols, individualized city-level training, and other city-coordination activities
- Providing connections and establishing collaboration with the city's key community stakeholders
- Actively participate in monthly management meetings as part of the contract oversight
- Working in collaboration with the subcontracted Homeless Coordinator/Liaison on cities' annual Homelessness Stakeholder Roundtable meeting(s)
- Serving as an Opt In City for the annual homeless counts

Lastly, the City of Manhattan Beach, as the lead city contractor with the County, is responsible for the contract and financial administrative functions of this contract.

The Beach Cities envision the following ultimate changes:

- Establish a unified approach to providing homelessness services for its sub-region
- Ensure the City Staff understanding of homelessness and how to make effective referrals
- Decrease the time it takes to move people off the streets
- Reduce frequency of public safety responses for chronic homeless service cases
- Strengthen the community's engagement and quality of input on Citywide initiatives through enhanced public education efforts on the subjects of local and regional homelessness issues, resources, and strategies
- Over time, see a reduction in both the visible and hidden homeless population

The Contracted Homelessness Coordinator/City Liaison and Case Managers for the South Bay Beach Cities Homelessness Program will help develop the homelessness leadership and infrastructure within each city, along with its response to those experiencing homelessness. The contracted Homelessness Coordinator/City Liaison will oversee the two case managers. As mentioned above, they will outreach to, CES assess, and get participants 'document ready'. They will complete the necessary formal documentation to refer participants into treatment programs, interim housing, and permanent housing program components that are appropriate for their unique situation. Once accepted, that agency providing the services is then responsible for a set of activities; including in this for permanent housing programs is increasing a participant's income, assisting with finding an apartment and helping with landlord engagement, all move-in costs and other client aid including rental subsidies, and finally, providing 'wrap-around' retention services using critical time intervention techniques.

PROGRAM COMPONENTS

ALTERNATIVE CRISIS RESPONSE

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An Alternative Crisis Response (ACR) is a strategy designed to approach non-violent, mental and behavioral health service calls by offering trauma-informed care, crisis de-escalation, in person intervention and transport to immediate behavioral health services. Physical health, behavioral health, and substance use professionals can provide intensive whole-person healthcare services in episodes of crisis, with goals of reducing the amount of hospital and emergency room visits as well as fire and police department involvement. When implemented effectively, this strategy addresses, in part, 911 calls for nonviolent mental health matters, with crisis de-escalation, in-person intervention and transport to behavioral health services. Redondo Beach began its Alternative Crisis Response (ACR) project journey in July of 2023.

On April 9th of 2024, the Redondo Beach City Council and Mayor accepted a \$1.3 million grant from Health Net, \$570,003 of which to be used for an "Alternative Crisis Response" pilot program for one year.

OUTREACH, CASE MANAGEMENT, & HOUSING NAVIGATION

The South Bay Cities Council of Governments has partnered with [PATH](#) to reach out to people living on the streets, link them to services and help them move off the streets and into permanent homes.

City Net is a non-profit organization that has assisted several cities in the counties of Los Angeles, Orange, Riverside and Santa Barbara. City Net's organization and mission are effective in helping individuals who have been chronically homeless for a number of years. City Net provides 2 Case Managers that provide outreach, case management, and housing navigation services 40 hours a week and at least one weekend day. City Net also participates in Homeless Court, appearing in court once a month.

MENTAL HEALTH TREATMENT

A significant percentage of the Homeless individuals who end up in criminal court have underlying chronic mental health conditions. Mental health treatment is vital and often necessary to get a homeless individual "Housing Ready." The available treatment facilities are frequently overwhelmed with patients or they are otherwise difficult for homeless defendants to access. The City feels strongly that increasing access to Mental Health Services would be an important part of the program. Clear Recovery Center, a South Bay based mental health treatment and substance abuse treatment provider that provides a full continuum of care, started out as a partner in this unmet need. Their treatment is individualized, evidence-based and age-specific in order to give their clients the best possible chance at long term recovery. They pride themselves on their expert clinical team who is highly skilled in the latest in evidence-based treatments and therapies. Clear Recovery Center has offered to donate \$5,000 per month of professional clinical services for a mental health treatment program to assist the homeless. Additionally, the City would have the option to use the South Bay Cities Council of Governments' (SBCCOG) grant funds to purchase additional hours of counseling depending upon the demand for these services. The clinical services would initially be rendered in a space provided by the City, with the opportunity for program expansion contingent upon clinical

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efficacy. The Police Department is willing to have the counseling take place in a conference room in the annex building at 200 N. PCH.

While successful, the City now feels a dedicated Mental Health Clinician is needed. On May 10, 2022, in response to a Strategic Plan item, the City Attorney's Office presented a discussion item to the City Council on possible options to improve the City's Enhanced Response to Homelessness Program. Three recommendations were provided. The unanimous priority, by far, was that the City employ a Mental Health Clinician who could assist those that need mental health treatment and medication. This Clinician, as an employee of the City, would be more available and responsive to the City needs and resident complaints. Thereafter, a Budget Decision Package was prepared that would allow the hiring of a Mental Health Clinician. The City Council, as a part of the 22- 23 Budget, voted to fund \$50,000 towards the position and work collectively with Manhattan Beach and Hermosa Beach to develop the program. Additionally, the Council directed that the position be put in the Police Department rather than the City Attorney's Office. Moreover, the Police Department could not hire anyone with only roughly 1/3 of the cost allocated. Although the City Managers of Manhattan and Hermosa agree with the idea on a conceptual basis no real progress has been made in implementing this top goal. To date, a mental health clinician has not been hired.

HOMELESS COURT

Homeless defendant cases represent a significant portion of the total criminal cases the City Prosecutor Division of the City Attorney's Office handles. The prosecution of individuals experiencing homelessness was modified to effectively and demonstratively curtail the cycle of drug, alcohol, quality of life, and theft offenses being committed. In August of 2019, the Redondo Beach Homeless Court Program ("RBHCP") went live with a simple but impactful mission - make services, rather than custody, the primary adjudication for misdemeanor prosecutions that typically send our homeless population to jail. The RBHCP is a type of pre-trial diversion program and in California, there are three main types of pre-trial diversion programs that are at the core of the RBHCP:

- Drug Diversion – Penal Code 1000 PC
- Mental Health Diversion – Penal Code 100.36 PC
- Military Diversion – Penal Code 1001.81 PC

The RBHCP convenes one morning each month to hear cases approved by Redondo Beach Prosecutors. Typical participants are nonviolent offenders who have been arrested, for what Redondo Beach Prosecutors consider "quality-of-life crimes" (i.e. public drunkenness, drug violations) that fit into one or more of the above pre-trial diversion program types. Participants can also be referrals from homeless service agencies, community members, members of the Redondo Beach First Responder Community, among others. All eligible participants can only enter the program voluntarily. Upon selection and agreement by the participant, the right to a speedy trial is waived and any treatment ordered by the judge adjudicating the case requires the participant return to the court regularly to report on their compliance.

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In addition to treatment, participants are availed of the opportunity for one of the Housing Programs (Pallet Shelter, Bridge Housing, Single Room Occupancy (SRO) Housing, and Permanent Housing offered as part of the larger Enhanced Response to Homelessness Program deployed by the City of Redondo Beach. Participants remain under the Court's supervision until housing is secured.

Key metrics for RBHCP:

- Total Number of Participants YOY
- Total Number of Participants who Accepted Services YOY
- Total Number of Active Participants MOM
- Total Number of Participants Graduated and Moved to Housing by Housing Type (Pallet Shelter, Permanent Housing, Bridge Housing, SRO)
- Total Number of Participants who Exited the Program by Reason Type (Voluntary, Failure to Participate, Death)
- Total Number of Potential Participants who did not Qualify for the Program by Reason Type (Incompetent to stand trial, etc.) inclusive of what their disposition was (referred to Mental Health Court, Criminal Court, Treatment Facility)
- Average Attendance Rate
- Average Diversion Completion Rates
- Average Time from Entering Diversion Program to being Housed YOY

Note: "Though unique in its setting, Redondo Beach's homeless court draws its basic form from a model that originated in San Diego three decades ago. In 1989, then-Deputy Public Defender Steve Binder set up a court process to help homeless veterans clear bench warrants. It grew into the San Diego Homeless Court Program, a model that's been adopted in about 70 homeless courts around the country from Salt Lake City to Detroit." – Doug Smith, Senior Writer, LA Times

PALLET NON CONGREGATE SHELTER & MOTEL BEDS

Pallet Shelter

On October 6, 2020, the City Council approved a CARES Act CDBG -CV allocation not to exceed \$300,000 towards the proposed establishment of a 13-month temporary emergency housing shelter. On November 10, 2020, the City Council approved the construction and operation of a temporary emergency housing shelter on Kingsdale Avenue for 6-months, December 30, 2020-June 30, 2021. The operational cost for the shelter is projected to be \$325,000 or approximately \$54,000 per month. The monthly operating costs for the shelter operation will be shared between the City and Los Angeles County. The City's contribution will be made from the CARES Act CDBG -CV funds and will be paid on a monthly basis to Los Angeles County in the amount of \$23,077. The terms of the shared funding obligations and shelter operational responsibilities are codified by the Letter of Agreement (LOA) with Los Angeles County.

Los Angeles County executed a professional services contract with Harbor Interfaith Services to provide for **all operational and human services** aspects of the temporary emergency housing shelter. Any unspent CARES Act CDBG-CV funds previously allocated by the Council to the

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shelter project would be available for other uses under the CDBG CARES Act program guidelines provided by the Office of Housing and Urban Development (HUD).

During the Fiscal Year 2023-2024 Budget Adoption Process, the City Council approved the expansion of the Pallet Shelter estimated to cost \$1,568,750 on the condition of identifying grant funding. On December 19, 2023, City Council approved the purchase of twenty-five (25) additional pallet shelter units because the City received a letter of support from Los Angeles County Supervisor Holly J. Mitchell for \$800,000 of District Two Homelessness funding as well as a letter of support from Health Net awarding the City \$729,997 towards the remaining \$768,750 (\$38,753 remains) for the expansion of the Redondo Beach Pallet Shelter. This was necessary for the City to be able to purchase the pallet shelter units before they doubled in price. The Health Net award will reimburse the City for this expenditure. The additional twenty-five (25) units have been delivered by Pallet and are being stored on the empty lot North of the current Pallet Shelter where they will be placed after the completion of capital improvements.

TRANSITIONAL BEDS & SINGLE ROOM OCCUPANCY (SRO)

Single Room Occupancy ("SRO") Housing

Since January, 2021, the City of Redondo Beach ("The City"), largely through Measure H funding, has leased five SRO's within Service Planning Area (SPA) 8 from Swami International, a regional property management company. The City used these SRO's as bridge housing for people from the City of Redondo Beach who are experiencing homelessness as a place to stay while seeking permanent housing. Currently, the SRO's that Redondo leased have a 52% exit rate to permanent housing. For comparison, the exit rate from interim shelter to permanent housing in all of SPA 8 and the county is 17%.

Additionally, through Measure H funding, provides just-in-time Client Aid funding to city and agency case managers. This pays for expenses to place clients in housing, shelter or an employment situation. Funds can also be used for needs such as transportation expenses for job interviews or family reunification, assistance with first/last months' rent, security deposits and application fees.

On May 3, 2022, the Los Angeles County Board of Supervisors unanimously approved a motion to implement the New Framework to End Homelessness in Los Angeles County which included an increase of co-investment opportunities for cities and Councils of Governments, which they called the Local Jurisdiction fund.

The SBCCOG was awarded \$2,344,214 through June 30, 2027. On May 9, 2023, the SBCCOG convened homeless staff of its sixteen (16) cities and Supervisor Districts to review the Local Jurisdiction funding plan homeless staff of its sixteen (16) cities and Supervisor Districts to review the Local Jurisdiction funding plan and solicit feedback.

On June 22, 2023, the SBCCOG Board of Directors approved the Local Jurisdiction funding plan, which allocated \$350,000 for a Motel and SRO Bed Leasing Program.

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In August, 2023, the City Attorney's Office submitted a proposal to the SBCCOG to obtain funding for a Motel and SRO Bed Leasing Program at an annual cost of up to \$235,150 for rent, insurance and basic furniture. In addition, the City Attorney's Office requested funds for two motel beds for those that need an immediate short stay to be prepared to go to appointments for other housing opportunities. After reviewing the proposal, the SBCCOG Homeless Services Department recommended approval to the SBCCOG Board of Directors.

The SBCCOG granted the City an additional grant of \$245,000 the COG set aside to continue this program. On **June 4, 2024**, City Staff recommended that the Mayor and City Council approve the First Amendment to the MOU (original MOU date **10/08/2023**) to accept the grant and extend the term of the MOU to **June 30, 2025**.

PERMANENT SUPPORTIVE HOUSING

Project Moonstone

In 2024 the city opened Project Moonstone, 20 units of interim housing a former hotel site, in partnership with Century Housing. The site is the city's first state-funded Project Homekey housing site. Project Homekey provides regional and local public entities an opportunity to develop a broad range of housing types as interim or permanent housing.

FUNDING

Total **Funding to Date**: \$9,130,902.07

- **FY19/20**
 - **Total**: \$245,287
 - **(02/2020)** SBCCOG (Measure H Innovation Funds for the Enhanced Response to Homelessness Program): \$245,287
- **FY21/22**
 - **Total**: \$306,299
 - **(01/11/2022)** SBCCOG (Measure H Innovation Funds for bridge housing, services, and the addition of Hermosa Beach to Redondo's Homeless Court): \$306,299
- **FY22/23**
 - **Total**: \$2,092,405.17
 - **(07/21/2022)** SBCCOG (Innovation Grant): \$216,000
 - **(04/18/2023)**; City Council Agenda Item N3., File # 23-5897) Los Angeles Board of Supervisor Janice Hahn (Discretionary Funds for Homeless Court): \$100,000
 - **(04/18/2023)**; City Council Agenda Item N3., File # 23-5897) Los Angeles Chief Executive Office - Homelessness Initiative's Office (Measure H Funds for capital improvements to the Pallet Shelter to reduce operational costs): \$250,000
 - **(04/18/2023)**; City Council Agenda Item N3., File # 23-5897) Permanent Local Housing Allocation Program (PLHA) (Pallet Shelter Operational Costs): \$784,980

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- (04/18/2023); City Council Agenda Item N3., File # 23-5897) Los Angeles County Cities and Councils of Governments Interim Housing Services Fund (CCOGIHS) (Pallet Shelter Operational Costs): \$583,971
- (04/18/2023); City Council Agenda Item N3., File # 23-5897) Beach Cities Health District (Homeless Related Services): \$50,000
- (04/18/2023); City Council Agenda Item N3., File # 23-5897) St. Andrews Presbyterian Church (Enhanced Response to Homelessness Program): \$4,000
- (04/18/2023); City Council Agenda Item N3., File # 23-5897) Prior Residents Estate (Enhanced Response to Homelessness Program): \$23,454.17
- (06/06/2023) SBCCOG (Homeless Court Expansion): \$80,000
- **FY23/24:**
 - **Total:** \$4,272,697
 - (09/19/2023) SBCCOG (Lease Motel and Single Room Occupancy (SRO) beds): \$235,150
 - (10/17/2023) Assembly Member Al Muratsuchi (Discretionary Funds for Homeless Court): \$500,000
 - (10/17/2023) Judicial Council (Budget modification to appropriate the Intergovernmental Fund; Support City's Enhanced Response to Homelessness): \$500,000
 - (10/17/2023) California Department of Housing & Community Development (Budget modification to appropriate to the Intergovernmental Fund): \$557,962
 - (11/07/2023) Reallocation of CIP Dollars (Pallet Shelter Expansion): \$768,000
 - (03/19/2024) SBCCOG (Case Management): \$27,832
 - (04/09/2024) Health Net (04-09-24) (Alternative Crisis Response Pilot Program & Pallet Shelter Expansion): \$1,338,753
 - (06/04/2024) SBCCOG (RB Homeless Court Expansion and Interim Bed Project): \$100,000
 - (06/04/2024) SBCCOG (Motel and SRO Leases): \$245,000
- **FY24/25:**
 - **Total:** \$2,214,213.90
 - (08-20-24) LA County CEO (Supervisor Holly Mitchell): \$800,000
 - (09/25/2024) LA County Department of Health (Funding and operation of Redondo Beach emergency homeless shelter): \$1,414,213.90

STAFFING

- Homeless Housing Supervisor (FTE) (**Open:** Requested in FY23/24)
- Homeless Housing Navigator (FTE) (**Filled:** January of 2020; Lila Omura who wanted to finish case work with her previous employer Harbor Interfaith through the end of 2019)
- Mental Health Clinician (FTE) (**Open:** Requested in FY 23/24)

PARTNERS

- **Pallet Shelter Builders:** (as of 12/19/2023): \$300,057.41 allocated to vendor

Administrative Report

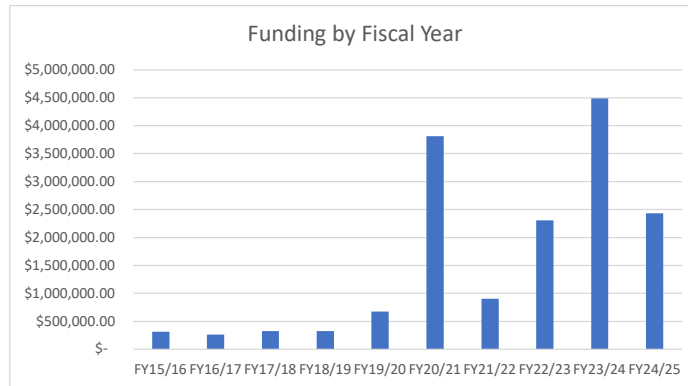
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- Civil Engineering: \$50,000
- Electrical Engineering: \$50,000
- Plan Design and Architecture: \$75,000
- Grading, Paving and Accessibility and Retainment: \$245,000
- Electrical: \$255,000
- Sewer: \$30,000
- Pallet Shelter Units, Restrooms, and General Use Unit: \$550,000
- Contingency (25%) \$313,750
- Total: \$1,568,750 (25 Units)
- Funding Los Angeles County Grant: \$800,000
- Wastewater Fund: \$30,000
- **Balance (Deficit): (\$738,750)**
- **Harbor Interfaith:**
 - All Pallet Shelter Operations & Services contracted through LA County
 - Shared Case Management Services (**03-19-2024 – 11/22/2024: \$27,832**)
 - Client Reporting Requirements (Quarterly)
 - Case Manager case load (by city)
 - Number of new cases (by city)
 - Number of participants sheltered, referred to safe parking, or other interim situation (by city)
 - Number of participants housed (by city)
 - Caseload and Throughput on an individual basis requirements:
 - HMIS ID (if known) (or other identifier as to not reveal personal information)
 - Birth Date
 - Enroll Date
 - Exit Date
 - Length of Stay in Program
 - Assessment
 - Housing Move-in Date
 - Number of Services
 - Number of Case Notes
- **SWAMI: Motel and SRO Lease Agreements (10/15/2024 – 10/15/2025)**
 - City Attorney to Clarify pricing model and grant allocation
 - \$235,150 (SBCCOG **09/19/23**)
 - \$245,000 (SBCCOG **06/04/24**)
- **Kingdom Causes dba City Net: (10/31/2024 – 06/30/2025) FY 24/25: \$332,214.17** (not to exceed \$472,062.17); **FY 23/24: \$254,226.58** (not to exceed \$226,800) (\$77,987.59 increase)
 - Personnel: \$167,401.95 (previously \$120,794.23)
 - Client Services: \$57,750 (previously \$43,312.50)
 - Operations & Program Expense: \$24,146.62 (previously \$14,294.03)
 - Indirect Costs: \$24,929.86 (previously \$17,840.08)
 - Homeless Census Report: \$57,985.74 (cost not listed in MOU amendment)

OPex	Expenditure	Amount	Notes
	RB FD	\$ 912,038.00	The Fire Department typically responds to a total of ~4,700 (high side) calls for service 550 (approximately 12%) are typically related to homelessness. With 58 sworn personnel each working 2,912 hours a year, there is a total of 168,896 total sworn personnel hours a year. Twelve percent of that is 20,268 hours. Hypothetically, that number multiplied by an average rate of \$45.00 an hour is \$912,038 per calendar year.
	RB PD	\$ 645,120.00	\$15K: Quality of Life Officer; \$630,120K Patrol Responses Note: The Police Department estimates a total of 118,000 (high side) total patrol hours. Six percent (6%) of 118,000 is 7,080 hours of patrol time dedicated to homelessness. Hypothetically, that number multiplied by an average hourly fully-loaded police officer rate of \$89.00 is \$630,120 for the 2021 calendar year.
	Kingdom Causes dba City Net	\$ 472,062.17	Personnel: \$167,401.95 (previously \$120,794.23); Client Services: \$57,750 (previously \$43,312.50); Operations & Program Expense: \$24,146.62 (previously \$14,294.03); Indirect Costs: \$24,929.86 (previously \$17,840.08); Homeless Census Report: \$57,985.74 (cost not listed in MOU amendment)
Program Operations	Pallet Shelter Administration, Operations, & Services	\$ 333,984.00	Includes shared case management system access; Vendor: Harbor Interfaith is paid by LA County and the City of Redondo Beach reimburses the County for the portion displayed.
	Quality of Life Officer (RB PD)	\$ 215,000.00	Funded in part General Fund (\$15K) and Housing Successor Agency Fund (City Council & Mayor) (\$200K)
	SWAMI (SRO Leases)	\$ 154,128.00	Swami notified the City that they had thirteen (13) vacant SRO's. They offered these rooms to Redondo Beach at a lower the monthly rent (from \$1050 to \$950 per unit) for the previous FY. The City Council approved the leases for the thirteen (13) units on October 17, 2024 for a term of one year at an increase of four percent (4%) to \$988 a month per unit and the deposits that were previously paid will be carried over to the new leases.
	Housing Navigator Supervisor	\$ 140,000.00	Position Open
	Housing Navigator	\$ 126,500.00	Position Filled: Lila Omura
	Mental Health Clinician	\$ 120,000.00	Position Open
	Homeless Court	\$ 42,000.00	City Attorney Office to Confirm
	Public Works	\$ 39,529.00	Public Works to Confirm (may trim ~\$16K as homeless encampments are now illegal)
	Housing Navigator Clerical (PT)	\$ 33,586.00	Position Status: TBD
	Pallet Shelter Rentals (Poles & Sanitation)	\$ 21,781.00	Vendor: TBD
	Homeless Navigator City Vehicle	\$ 4,200.00	
	Pallet Shelter Wifi (Maintenance)	\$ -	IT to Confirm Cost
	Total	\$ 3,259,928.17	
CAPEx			
Program Enhancements	Pallet Shelter Expansion (25 New Modules)	\$ 1,568,750.00	
	Homeless Court Expansion	\$ 61,549.00	
	Pallet Shelter Wifi (Install)	\$ -	IT to Confirm Cost
	Total	\$ 1,630,299.00	

Funding Code	Funding Source	Funding Amount	Notes	Funding Amount by Fiscal Year
230-Intergovernmental Grant Fund	AB109	\$ 320,000.00		FY15/16 \$ 315,000.00
230-Intergovernmental Grant Fund	Assembly Member Al Muratsuchi	\$ 500,000.00		FY16/17 \$ 265,000.00
230-Intergovernmental Grant Fund	Beach Cities Health District	\$ 50,000.00		FY17/18 \$ 323,000.00
230-Intergovernmental Grant Fund	California Department of Housing & Community Development	\$ 557,962.00		FY18/19 \$ 323,000.00
230-Intergovernmental Grant Fund	CDBG Cares Act	\$ 128,400.00		FY19/20 \$ 676,939.00
230-Intergovernmental Grant Fund	County CARES Act and Fourth District Homeless and Housing Fund	\$ 829,000.00		FY20/21 \$ 3,812,313.19
230-Intergovernmental Grant Fund	County CDBG Fund	\$ 465,008.00		FY21/22 \$ 905,317.00
	General Fund	\$ 2,402,754.00		FY22/23 \$ 2,307,405.17
	Health Net	\$ 1,338,753.00		FY23/24 \$ 4,487,697.00
	Housing Successor Agency Fund	\$ 2,416,018.00		FY24/25 \$ 2,429,213.90
230-Intergovernmental Grant Fund	Judicial Council	\$ 500,000.00		
230-Intergovernmental Grant Fund	LA County Department of Health	\$ 1,414,213.90		
230-Intergovernmental Grant Fund	Los Angeles Board of Supervisor Holly Mitchell	\$ 800,000.00		
230-Intergovernmental Grant Fund	Los Angeles Board of Supervisor Janice Hahn	\$ 100,000.00		
230-Intergovernmental Grant Fund	Los Angeles Chief Executive Office	\$ 250,000.00		
230-Intergovernmental Grant Fund	Los Angeles County Cities and Councils of Governments Interim Housing Services Fund (CCOGIHS)	\$ 583,971.00		
230-Intergovernmental Grant Fund	Measure H	\$ 152,803.19		
230-Intergovernmental Grant Fund	Permanent Local Housing Allocation Program (PLHA)	\$ 784,980.00		
	Prior Residents Estate	\$ 23,454.17		
	Reallocation of CIP Dollars	\$ 768,000.00	Pallet Shelter Expansion	
230-Intergovernmental Grant Fund	SBCCOG	\$ 1,455,568.00		
	St. Andrews Presbyterian Church	\$ 4,000.00		
	Total	\$ 15,844,885.26		



Funding Code	Funding Source	Funding Amount	Notes	Appropriated (Y/N)	Date of Council Action
230-Intergovernmental Grant Fund	AB109 Assembly Member Al Muratsuchi Beach Cities Health District California Department of Housing & Community Development CDBG Cares Act County CARES Act and Fourth District Homeless and Housing Fund County CDBG Fund General Fund Health Net Housing Successor Agency Fund Judicial Council LA County Department of Health Los Angeles Board of Supervisor Holly Mitchell Los Angeles Board of Supervisor Janice Hahn Los Angeles Chief Executive Office Los Angeles County Cities and Councils of Governments Interim Housing Services Fund (CCOGIHS) Measure H Permanent Local Housing Allocation Program (PLHA) Prior Residents Estate Reallocation of CIP Dollars SBCCOG St. Andrews Presbyterian Church	\$ 65,000.00			
		\$ 250,000.00			
	Total	\$ 315,000.00			

Funding Code	Funding Source	Funding Amount	Notes	Appropriated (Y/N)	Date of Council Action
230-Intergovernmental Grant Fund	AB109 Assembly Member Al Muratsuchi Beach Cities Health District California Department of Housing & Community Development CDBG Cares Act County CARES Act and Fourth District Homeless and Housing Fund County CDBG Fund General Fund Health Net Housing Successor Agency Fund Judicial Council LA County Department of Health Los Angeles Board of Supervisor Holly Mitchell Los Angeles Board of Supervisor Janice Hahn Los Angeles Chief Executive Office Los Angeles County Cities and Councils of Governments Interim Housing Services Fund (CCOGIHS) Measure H Permanent Local Housing Allocation Program (PLHA) Prior Residents Estate Reallocation of CIP Dollars SBCCOG St. Andrews Presbyterian Church	\$ 15,000.00			
		\$ 250,000.00			
	Total	\$ 265,000.00			

Funding Code	Funding Source	Funding Amount	Notes	Appropriated (Y/N)	Date of Council Action
230-Intergovernmental Grant Fund	AB109	\$ 58,000.00			TBD
	Assembly Member Al Muratsuchi				
	Beach Cities Health District				
	California Department of Housing & Community Development				
	CDBG Cares Act				
	County CARES Act and Fourth District Homeless and Housing Fund				
	County CDBG Fund				
	General Fund	\$ 15,000.00			
	Health Net				
	Housing Successor Agency Fund	\$ 250,000.00			
	Judicial Council				
	LA County Department of Health				
	Los Angeles Board of Supervisor Holly Mitchell				
	Los Angeles Board of Supervisor Janice Hahn				
	Los Angeles Chief Executive Office				
	Los Angeles County Cities and Councils of Governments Interim Housing Services Fund (CCOGHS)				
	Measure H				
	Permanent Local Housing Allocation Program (PLHA)				
	Prior Residents Estate				
	Reallocation of CIP Dollars				
	SBCCOG				
	St. Andrews Presbyterian Church				
	Total	\$ 323,000.00			

Funding Code	Funding Source	Funding Amount	Notes	Appropriated (Y/N)	Date of Council Action
230-Intergovernmental Grant Fund	AB109	\$ 58,000.00			TBD
	Assembly Member Al Muratsuchi				
	Beach Cities Health District				
	California Department of Housing & Community Development				
	CDBG Cares Act				
	County CARES Act and Fourth District Homeless and Housing Fund				
	County CDBG Fund				
	General Fund	\$ 15,000.00			
	Health Net				
	Housing Successor Agency Fund	\$ 250,000.00			
	Judicial Council				
	LA County Department of Health				
	Los Angeles Board of Supervisor Holly Mitchell				
	Los Angeles Board of Supervisor Janice Hahn				
	Los Angeles Chief Executive Office				
	Los Angeles County Cities and Councils of Governments Interim Housing Services Fund (CCOGIHS)				
	Measure H				
	Permanent Local Housing Allocation Program (PLHA)				
	Prior Residents Estate				
	Reallocation of CIP Dollars				
	SBCCOG				
	St. Andrews Presbyterian Church				
	Total	\$ 323,000.00			

Funding Code	Funding Source	Funding Amount	Notes	Appropriated (Y/N)	Date of Council Action
230-Intergovernmental Grant Fund	AB109	\$ 68,000.00			TBD
	Assembly Member Al Muratsuchi				
	Beach Cities Health District				
	California Department of Housing & Community Development				
	CDBG Cares Act				
	County CARES Act and Fourth District Homeless and Housing Fund				
	County CDBG Fund				
	General Fund	\$ 265,000.00			
	Health Net				
	Housing Successor Agency Fund	\$ 250,000.00			
	Judicial Council				
	LA County Department of Health				
	Los Angeles Board of Supervisor Holly Mitchell				
	Los Angeles Board of Supervisor Janice Hahn				
	Los Angeles Chief Executive Office				
	Los Angeles County Cities and Councils of Governments Interim Housing Services Fund (CCOGIHS)				
	Measure H	\$ 93,939.00			TBD
	Permanent Local Housing Allocation Program (PLHA)				
	Prior Residents Estate				
	Reallocation of CIP Dollars				
	SBCCOG				
	St. Andrews Presbyterian Church				
	Total	\$ 676,939.00			

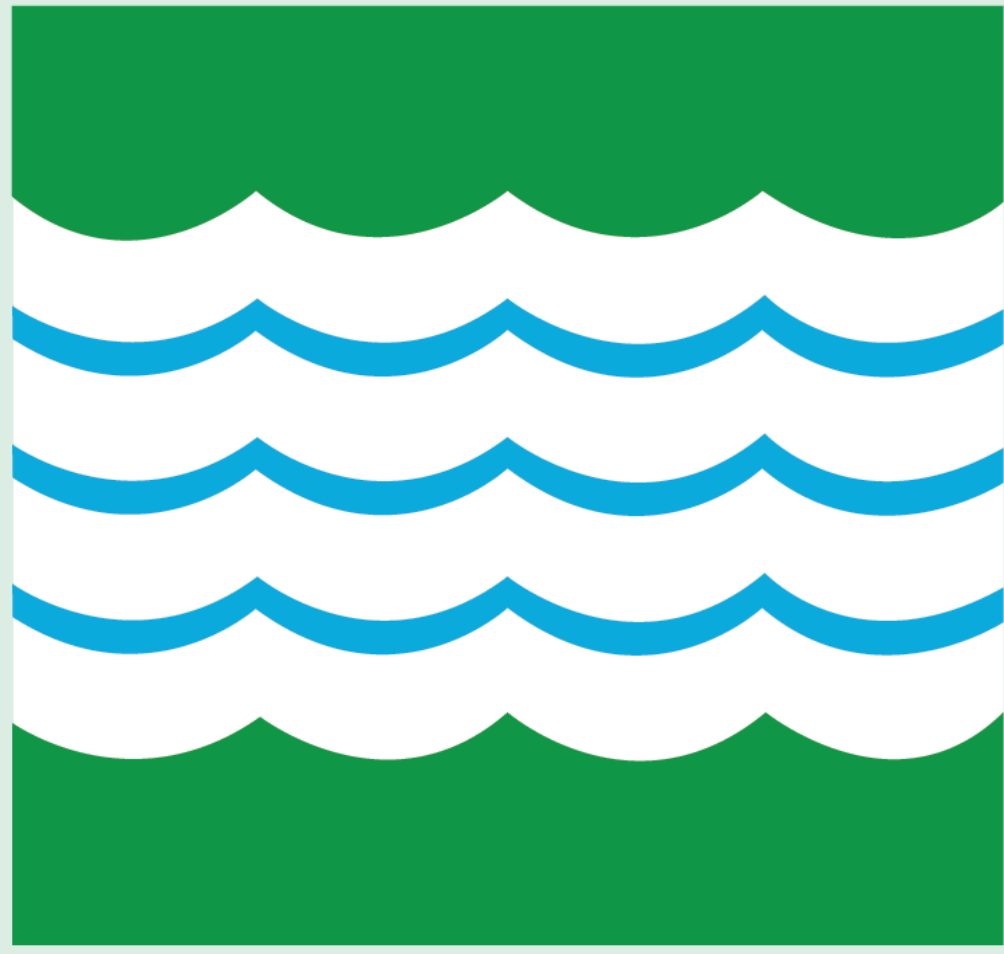
Funding Code	Funding Source	Funding Amount	Notes	Appropriated (Y/N)	Date of Council Action
230-Intergovernmental Grant Fund	AB109	\$ 68,000.00			TBD
	Assembly Member Al Muratsuchi				
	Beach Cities Health District				
	California Department of Housing & Community Development				
	CDBG Cares Act	\$ 28,400.00			TBD
	County CARES Act and Fourth District Homeless and Housing Fund (Appropriations Modification)	\$ 829,000.00			2/16/2021
	County CDBG Fund	\$ 365,008.00			TBD
	General Fund	\$ 1,967,754.00			TBD
	Health Net				
	Housing Successor Agency Fund	\$ 250,000.00			
	Judicial Council				
	LA County Department of Health				
	Los Angeles Board of Supervisor Holly Mitchell				
	Los Angeles Board of Supervisor Janice Hahn				
	Los Angeles Chief Executive Office				
	Los Angeles County Cities and Councils of Governments Interim Housing Services Fund (CCOGIHS)				
	Measure H	\$ 58,864.19			TBD
	Permanent Local Housing Allocation Program (PLHA)				
	Prior Residents Estate				
	Reallocation of CIP Dollars				
	SBCCOG	\$ 245,287.00			TBD
	St. Andrews Presbyterian Church				
	Total	\$ 3,812,313.19			

Funding Code	Funding Source	Funding Amount	Notes	Appropriated (Y/N)	Date of Council Action
230-Intergovernmental Grant Fund	AB109	\$ 68,000.00			
	Assembly Member Al Muratsuchi				
	Beach Cities Health District				
	California Department of Housing & Community Development				
	CDBG Cares Act	\$ 100,000.00			TBD
	County CARES Act and Fourth District Homeless and Housing Fund				
	County CDBG Fund	\$ 100,000.00			TBD
	General Fund	\$ 15,000.00			
	Health Net				
	Housing Successor Agency Fund	\$ 316,018.00			TBD
	Judicial Council				
	LA County Department of Health				
	Los Angeles Board of Supervisor Holly Mitchell				
	Los Angeles Board of Supervisor Janice Hahn				
	Los Angeles Chief Executive Office				
	Los Angeles County Cities and Councils of Governments Interim Housing Services Fund (CCOGIHS)				
	Measure H				
	Permanent Local Housing Allocation Program (PLHA)				
	Prior Residents Estate				
	Reallocation of CIP Dollars				
	SBCCOG	\$ 306,299.00			1/11/2022
	St. Andrews Presbyterian Church				
	Total	\$ 905,317.00			

Funding Code	Funding Source	Funding Amount	Notes	Appropriated (Y/N)	Date of Council Action
230-Intergovernmental Grant Fund	AB109				
	Assembly Member Al Muratsuchi				
	Beach Cities Health District	\$ 50,000.00			4/18/2023
	California Department of Housing & Community Development				
	CDBG Cares Act				
	County CARES Act and Fourth District Homeless and Housing Fund				
	County CDBG Fund				
	General Fund	\$ 15,000.00			
	Health Net				
	Housing Successor Agency Fund	\$ 200,000.00			
	Judicial Council				
	LA County Department of Health				
	Los Angeles Board of Supervisor Holly Mitchell				
	Los Angeles Board of Supervisor Janice Hahn	\$ 100,000.00			4/18/2023
	Los Angeles Chief Executive Office	\$ 250,000.00			4/18/2023
	Los Angeles County Cities and Councils of Governments Interim Housing Services Fund (CCOGIHS)	\$ 583,971.00			4/18/2023
	Measure H				
	Permanent Local Housing Allocation Program (PLHA)	\$ 784,980.00			4/18/2023
	Prior Residents Estate	\$ 23,454.17			4/18/2023
	Reallocation of CIP Dollars				
					07/21/2022 (\$216,000)
					06/06/2023 (\$80,000)
	SBCCOG	\$ 296,000.00			
	St. Andrews Presbyterian Church	\$ 4,000.00			4/18/2023
	Total	\$ 2,307,405.17			

Funding Code	Funding Source	Funding Amount	Notes	Appropriated (Y/N)	Date of Council Action
230-Intergovernmental Grant Fund	AB109				
	Assembly Member Al Muratsuchi	\$ 500,000.00			10/17/2023
	Beach Cities Health District				
	California Department of Housing & Community Development	\$ 557,962.00			10/17/2023
	CDBG Cares Act				
	County CARES Act and Fourth District Homeless and Housing Fund				
	County CDBG Fund				
	General Fund	\$ 15,000.00			
	Health Net	\$ 1,338,753.00			4/9/2024
	Housing Successor Agency Fund	\$ 200,000.00			
	Judicial Council	\$ 500,000.00			10/17/2023
	LA County Department of Health				
	Los Angeles Board of Supervisor Holly Mitchell				
	Los Angeles Board of Supervisor Janice Hahn				
	Los Angeles Chief Executive Office				
	Los Angeles County Cities and Councils of Governments Interim Housing Services Fund (CCOGIHS)				
	Measure H				
	Permanent Local Housing Allocation Program (PLHA)				
	Prior Residents Estate				
	Reallocation of CIP Dollars (Pallet Shelter Expansion)	\$ 768,000.00			
					\$235,150 (09/19/2023)
					\$27,832 (03/19/2024)
					\$100,000 (06/04/2024)
					\$245,000 (06/04/2024)
SBCCOG		\$ 607,982.00	245000+100000		
St. Andrews Presbyterian Church					
Total		\$ 4,487,697.00			

Funding Code	Funding Source	Funding Amount	Notes	Appropriated (Y/N)	Date of Council Action
230-Intergovernmental Grant Fund	AB109				
	Assembly Member Al Muratsuchi				
	Beach Cities Health District				
	California Department of Housing & Community Development				
	CDBG Cares Act				
	County CARES Act and Fourth District Homeless and Housing Fund				
	County CDBG Fund				
	General Fund	\$ 15,000.00			
	Health Net				
	Housing Successor Agency Fund	\$ 200,000.00			
	Judicial Council				
	LA County Department of Health	\$ 1,414,213.90			9/25/2024
	Los Angeles Board of Supervisor Holly Mitchell	\$ 800,000.00		Y	8/20/2024
	Los Angeles Board of Supervisor Janice Hahn				
	Los Angeles Chief Executive Office				
	Los Angeles County Cities and Councils of Governments Interim Housing Services Fund (CCOGIHS)				
	Measure H				
	Permanent Local Housing Allocation Program (PLHA)				
	Prior Residents Estate				
	Reallocation of CIP Dollars				
	SBCCOG				
	St. Andrews Presbyterian Church				
	Total	\$ 2,429,213.90			



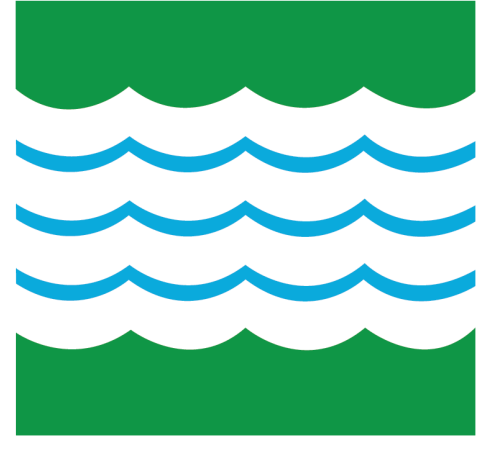
SOUTH BAY CITIES
COUNCIL OF GOVERNMENTS

congratulates

REDONDO BEACH

on achieving

**FUNCTIONAL ZERO
STREET
HOMELESSNESS**

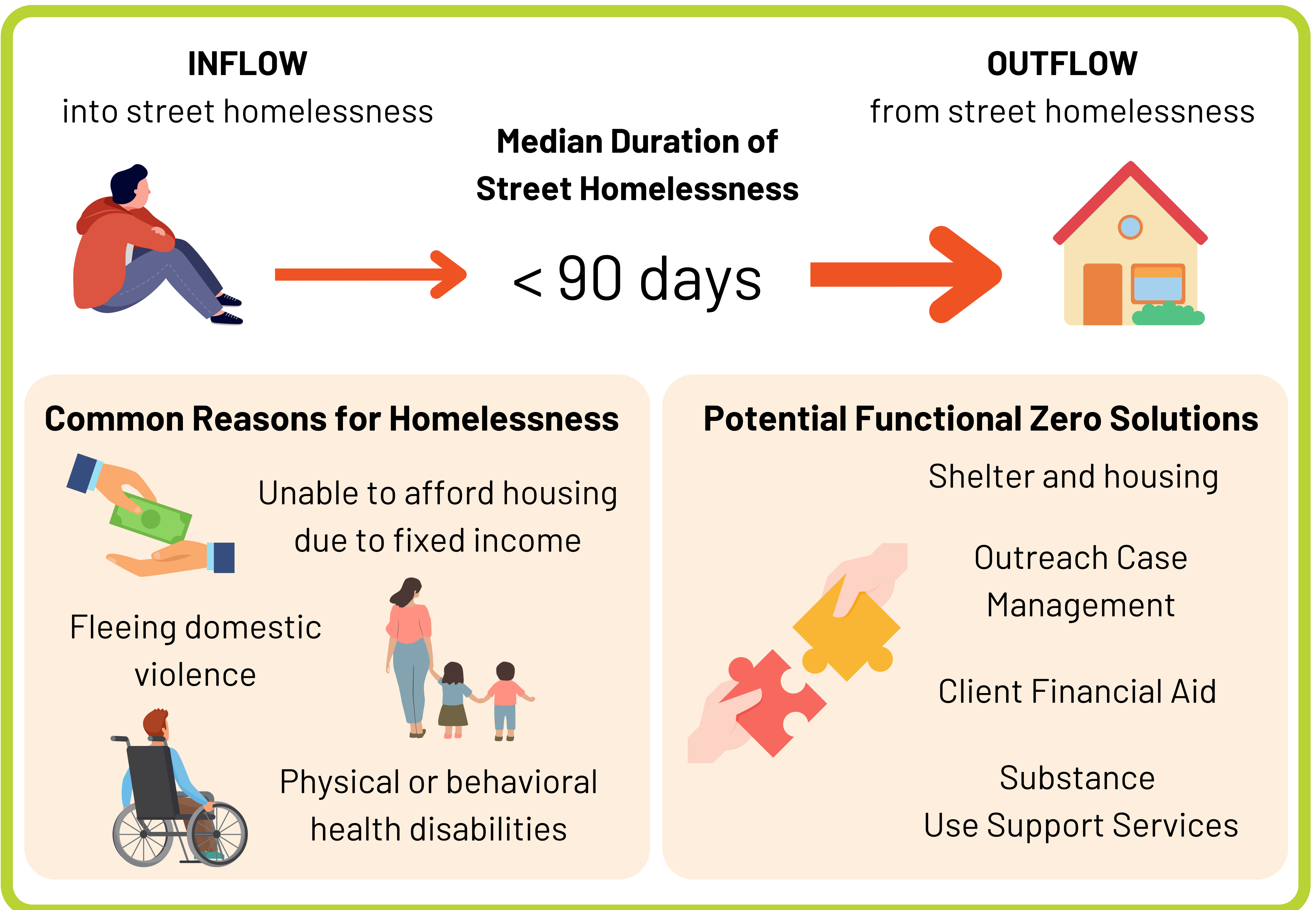


SOUTH BAY CITIES
COUNCIL OF GOVERNMENTS

FUNCTIONAL ZERO STREET HOMELESSNESS PROGRAM

WHAT IS FUNCTIONAL ZERO STREET HOMELESSNESS?

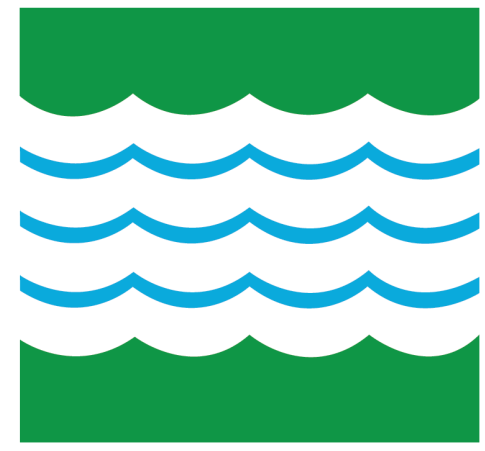
- 1 Outflow of people from street homelessness is greater than or equal to Inflow,
AND
- 2 The median duration of street homelessness for the population is less than 90 days - measured for a period of at least six months



WHY IS FUNCTIONAL ZERO STREET HOMELESSNESS IMPORTANT?



Homelessness has long-term, adverse effects on health and well-being. By setting this goal, we recognize that homelessness can occur at any time but that when it does occur, the experience is brief and one-time.



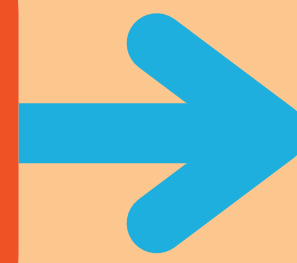
SOUTH BAY CITIES
COUNCIL OF GOVERNMENTS

FUNCTIONAL ZERO STREET HOMELESSNESS PROGRAM

REDONDO BEACH PROGRAM OUTCOMES

ACTIVE OUTREACH CASES

In 2017, Redondo Beach had 261 people experiencing homelessness, per a point in time count



As of July 1, 2024, active outreach cases in Redondo Beach were down to 25 cases.

FUNCTIONAL ZERO STREET HOMELESSNESS

JANUARY TO JUNE 2024



INFLOW

65 people



**Median Duration
of Street
Homelessness**

14 days



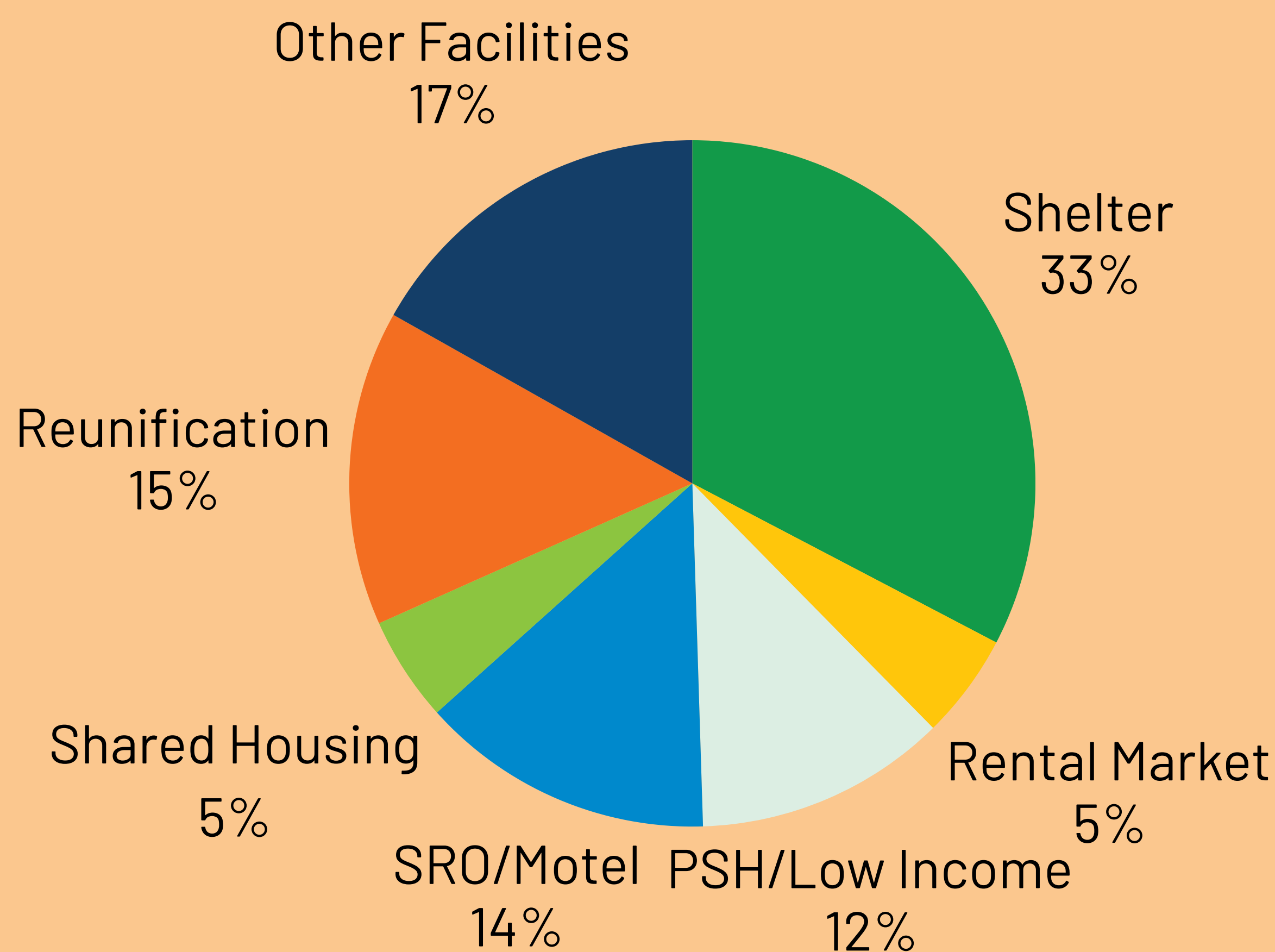
OUTFLOW

66 people



OUTFLOW OUTCOMES

Outflow Categories





SOUTH BAY CITIES
COUNCIL OF GOVERNMENTS

FUNCTIONAL ZERO STREET HOMELESSNESS PROGRAM

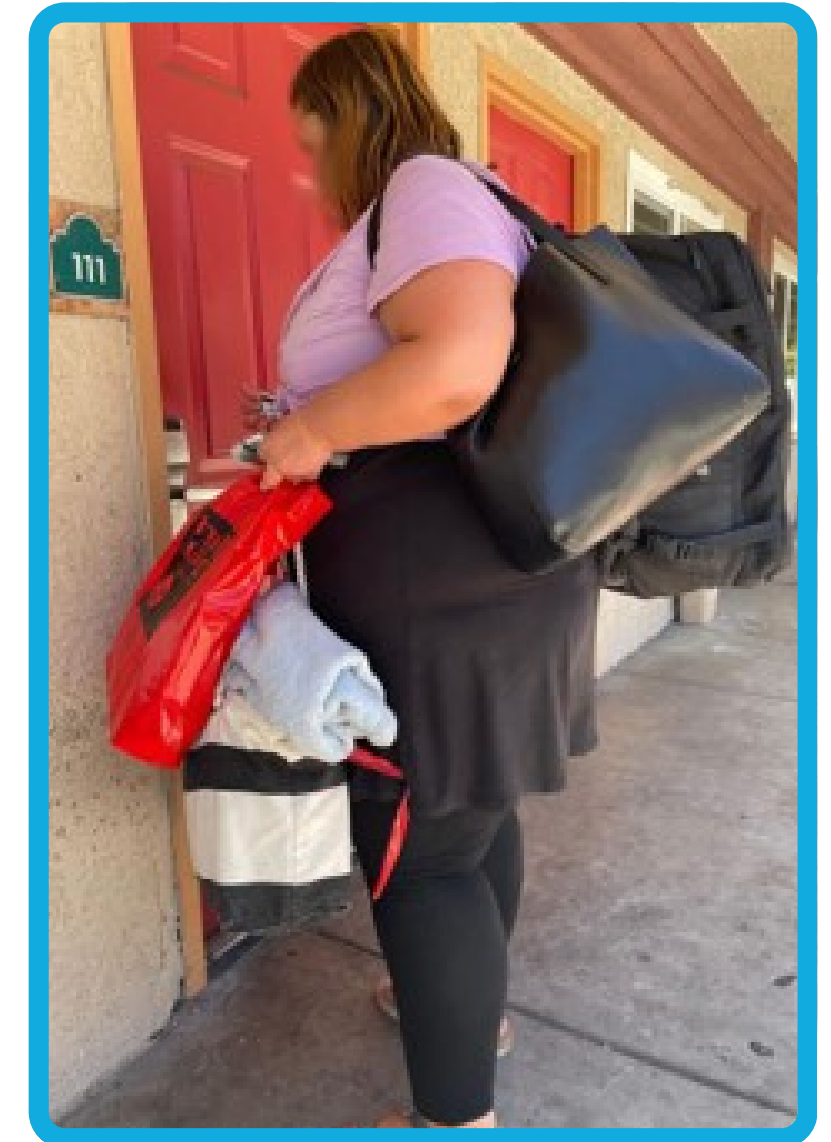
PROGRAM OVERVIEW

THE SBCCOG FUNCTIONAL ZERO STREET HOMELESSNESS PROGRAM IS A DATA INTENSIVE PROGRAM.

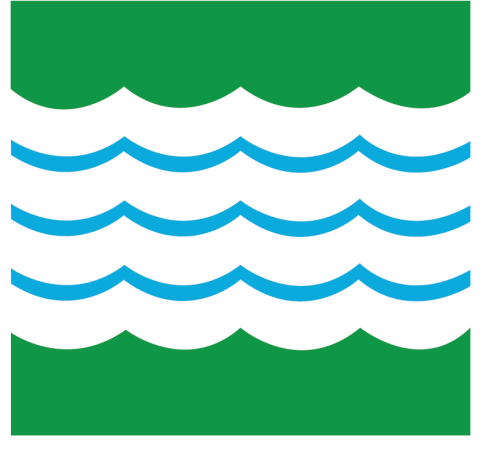
- SBCCOG monitors a City's monthly performance in 6-month intervals.
- The City's outreach and case management teams send an assigned SBCCOG Data Analyst weekly reports on inflow and outflow.
- Teams meet in person once a month with SBCCOG staff to case conference

DATA SNAPSHOT

Last Name	First Name	Point of Contact Date	Case Manager	Current Housing Status	Duration (Days)	Last Shelter/ Housed Date	Exit: Date Sheltered	Exit: Date Housed	Earliest Exit	Status Notes
		4/9/2024	Valerie Campos	Shelter	0	4/9/2024	4/9/2024	4/24/2024	4/9/2024	Lila and Valeria took to Harbor UCLA, placed in interim bed. Will reunify with family. Now in Pallet. UPDATE - Reunified with family in Boston
		1/11/2024	Lila Omura	Self-resolved	0	1/11/2024	1/11/2024		1/11/2024	Same-day Orthodox Jew from out of state trying to get to synagogue in the Fairfax district. Transported to Harbor City Train Station (3rd & La Cienega synagogue)
		2/13/2024	Lila Omura	Shelter	0	2/13/2024	2/13/2024		2/13/2024	Same-day / Client referral for domestic violence
		2/3/2024	Lila Omura	Other Facility	0	2/3/2024	2/3/2024		2/3/2024	Same-day / Mentally Health challenges from Torrance. Went to Venice Recover. At Kendred lockdown now 4/26/2024. Working on getting her connected to conservatorship again.
		5/28/2024	Lila Omura	Shelter	0	5/28/2024	5/28/2024		5/28/2024	At Doors of Hope. Outreach with Councilmember Kaluderovic. Same Day.
		7/25/2023	Lila Omura	Shelter	4	2/22/2024	2/26/2024		2/26/2024	UPDATE: 10/24/24: referred to HOME Team. Not doing well. Severe MH Challenges; UPDATE 2/16/24: Placed in County winter shelter, left 2/22/24; UPDATE 2/29/24: Placed into Pallet Shelter by Lila. Needs to be connected to mental health professional/ medication.
		1/17/2024	Lila Omura	SHARE! (COG Program)	9	1/17/2024	1/26/2024		1/26/2024	SHARE! Housing Program SBCCOG 1/26/2024
		9/14/2023	Lila Omura	Reunification	96	2/16/2024		5/22/2024	5/22/2024	Service resistant, in DMH Recuperative Care. Reunified with father in North Carolina
		10/24/2022	Neal Glasgow	Housed	101	1/1/2024	4/11/2024		4/11/2024	UPDATE 10/24/23: Client sleeps in moving truck. UPDATE 1/1/24: Paid first and last month rent, but couldn't do stairs. Friend is paying for moving truck. Targeting a Florida spot, will be ready in May. UPDATE: Housed in FL.
		11/7/2023	Dylan Provencio	Housed	157	11/7/2023				Placed in SRO.
		7/25/2023	Lila Omura	Shelter	178	7/25/2023		1/19/2024	1/19/2024	Veteran, 10/24/23: Client will not live outside the city and will refuse housing if he cannot bring his dog (Malinois). Living in his inoperable care; UPDATE 3/02/24: Placed in RB pallet shelter.



THE MAIN TENET IS TO PRESENT DATA TO LOCAL AND REGIONAL OFFICIALS SO THEY CAN MAKE DATA-DRIVEN DECISIONS ON THE BEST TACTICAL SOLUTIONS FOR THE CITY AND FOR THE REGION.



SOUTH BAY CITIES
COUNCIL OF GOVERNMENTS

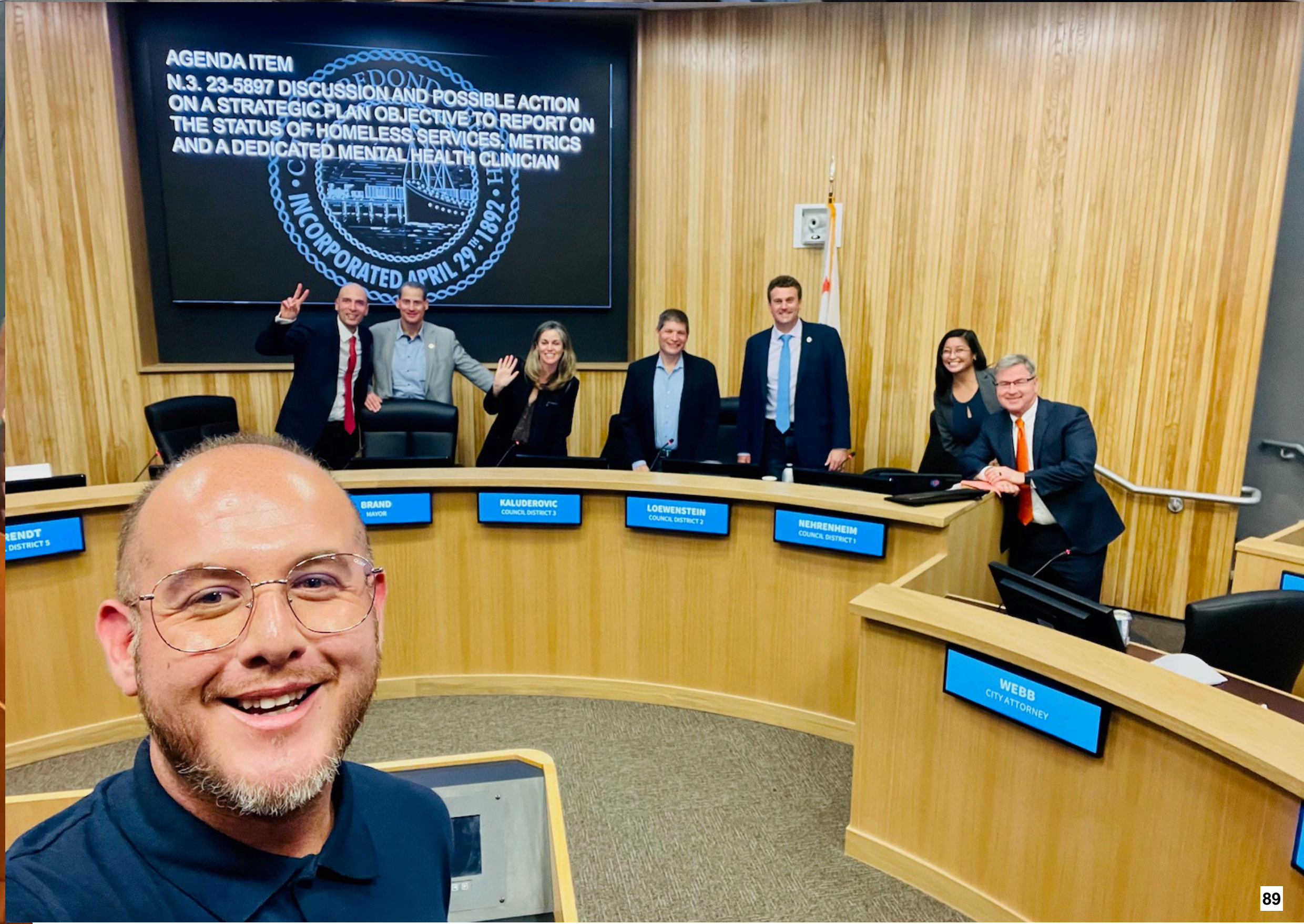
FUNCTIONAL ZERO STREET HOMELESSNESS PROGRAM

ANNOUNCING!

NEXT COHORT OF FUNCTIONAL ZERO CITIES:

**HERMOSA BEACH
MANHATTAN BEACH
TORRANCE**

Torrance 3290 Temporary Village Grand Opening; Beach Cities and Torrance Case Management Teams; Ramon Rendon, Harbor Interfaith, Redondo Beach City Council and City Attorneys





Administrative Report

I.2., File # BF25-0434

Meeting Date: 4/2/2025

TITLE

BUILDING MAINTENANCE/REPLACEMENT PLANNING



Administrative Report

J.1., File # BF25-0435

Meeting Date: 4/2/2025

To: BUDGET & FINANCE COMMISSION

From: STEPHANIE MEYER, INTERIM FINANCE DIRECTOR

TITLE

DISCUSSION AND POSSIBLE ACTION REGARDING THE FISCAL YEAR 25-26 BUDGET INPUT TO THE CITY MANAGER



Administrative Report

J.2., File # BF25-0436

Meeting Date: 4/2/2025

To: BUDGET & FINANCE COMMISSION

From: STEPHANIE MEYER, INTERIM FINANCE DIRECTOR

TITLE

INFORMATION TECHNOLOGY PRESENTATION - IT DIRECTOR



Administrative Report

J.3., File # BF25-0452

Meeting Date: 4/2/2025

To: BUDGET AND FINANCE COMMISSION
From: STEPHANIE MEYER, INTERIM FINANCE DIRECTOR

TITLE

JOINT PUBLIC WORKS AND SUSTAINABILITY COMMISSION AND BUDGETING AND FINANCE COMMISSION MEETING SCHEDULING

EXECUTIVE SUMMARY

On March 25, 2025 the Public Works and Sustainability Commission voted to hold a joint meeting with the Budget and Finance Commission. The meeting date is scheduled for April 28, 2025 at 6:00pm.

The purpose of this meeting is to discuss FY 2025-26 capital budget planning. The FY 2024-25 presentation is included as Attachment 1 to provide a reference point for the material planned as discussion for the joint meeting.

Staff recommends that the Commission votes to hold the joint meeting as approved by the Public Works and Sustainability Commission.

ATTACHMENTS

- FY 2024-25 Capital Improvement Program Status Update (prior year reference)

Public Works and Sustainability Commission

Capital Improvement Program Status Update

April 22, 2024



Outline

- Why is the CIP Important?
- CIP Accomplishments
- Active CIP Projects
- Next Steps
- Evaluation Criteria
- CIP Recommendations
 - Carryover Projects
 - **Draft** FY24-25 CIP

Why is the CIP Important?

- City Infrastructure Impacts:
 - Quality of Life
 - Health & Safety
 - Property Values
 - Economic Development
 - City Liability



Evaluation Criteria

- Health and safety?
- Mandated?
- Implement a Strategic Plan goal?
- Does it complete an existing project?
- Does it support economic development?
- Will it result in future operating savings?
- Is there significant outside funding?

FY 2023-24 CIP Highlights

- Grant Ave Signal/Street Improvements/Enhancements
- Citywide Slurry Seal
- Sidewalk/Curb Ramp Improvements
- Civic Center Landscape Improvements
- Wilderness Park Community Center Improvements
- Police Department Pier Sub-Station Renovation
- Traffic Calming – Citywide Pedestrian Enhancements
- Playground Rubberized Resurfacing- Anderson
- Harbor Patrol Dock Replacement
- Basin 2 Pump Station Improvement
- Pier Decorative Sculpture Sails
- Franklin Park Improvements



FY 2023-24 Current CIP Projects in Procurement/Construction

- Manhattan Beach Boulevard Resurfacing
- Anita/Herondo and PCH WB Left Turn Lane
- Aviation/Artesia NB Right Turn Lane
- Bicycle Transportation Implementation Plan
- Pier Area Improvements
 - Pier Restroom Improvements
 - International Boardwalk Pavers
- Harbor Dredging
- Dominquez Park Play Equipment, Landscape & Walkways
- Torrance Boulevard Resurfacing
- Yacht Club Way Pump Station
- Portofino Way Pump Station
- Veterans Park Historic Library Improvements
- Slurry Seal Citywide



FY 2023-24 Current CIP Projects in Design

- Kingsdale Ave Resurfacing
- Residential Street Rehabilitation
- Curb Ramp Improvements
- Seaside Lagoon
- SCE ROW West of PCH Landscape Improvements
- Police Department Shooting Range
- Fulton Playfield Infiltration Project
- Glen Anderson Park Regional Stormwater Capture Project
- Pier Parking Structure Repairs

Next Steps

- Recommendations of Staff CIP Committee
- City Manager's Proposed Budget to City Council by May 16 – Charter Date
- Planning Commission Review of FY 2024-25 CIP on May 16th
- FY 24-25 CIP Budget Public Hearing on June 11th

Estimated FY23-24 CIP Carryover Funding

(as of 4-22-24)

■ Sewer Projects	\$ 3,311,846
■ Drainage Projects	\$ 3,894,338
■ Street Projects	\$31,189,910
■ Waterfront Projects	\$17,476,463
■ Park Projects	\$ 2,821,958
■ Public Facility Projects	\$ 7,170,423
■ General Improvement Projects	<u>\$ 454,238</u>
TOTAL	\$ 66,319,176

DRAFT FY24-25 CIP Budget

- FY 24-25 CIP Budget Recommendations in development
- Areas of Focus:
 - Complete existing projects
 - FY 23-24 included 140 projects
 - Residential Street Rehabilitation
 - City Facility Infrastructure
 - Fire Stations 1 and 2
 - Civic Center (City Hall and Main Library)
 - Police Department
 - Harbor Improvements- continue to beautify high visible areas and work through deferred maintenance

Recommendation

- Receive and file the presentation on the status of the Capital Improvement Program Budget.





Administrative Report

J.4., File # BF25-0440

Meeting Date: 4/2/2025

To: BUDGET AND FINANCE COMMISSION

From: STEPHANIE MEYER, INTERIM FINANCE DIRECTOR

TITLE
VETERAN PLAQUES

**CITY OF REDONDO BEACH
Budget Response Report**
#11
February 18, 2025
Question:

What is the cost associated with replacing bronze plaques stolen from Veterans Park with aluminum plaques?

Response:

In 2024, the City of Redondo Beach experienced the theft of multiple bronze plaques in and around Veteran’s Park. A total of fifteen 16x16-inch bronze plaques, four 8x8-inch bench plaques, and one large 14x64-inch plaque at the Historic Library were stolen.

Below are the estimated costs for replacing these stolen bronze plaques with aluminum alternatives:

Plaque Size	Quantity	Cost	Total
16x16-inch	15	\$ 800.00	\$ 12,000.00
8x8-inch	4	\$ 400.00	\$ 1,600.00
14x64-inch	1	\$ 3,500.00	\$ 3,500.00
Subtotal			\$ 17,100.00
<i>25% Contingency (Due to Changing Aluminum Market Conditions)</i>			\$ 4,275.00
Total Estimated Cost			\$ 21,375.00

Stephanie Meyer

Subject: FW: BLUE FOLDER ITEM - Budget & Finance

----- Forwarded Message -----

From: Kathy McLeod [REDACTED]
To: Eleanor Manzano <eleanor.manzano@redondo.org>
Sent: Tuesday, February 11, 2025 at 07:18:33 AM PST
Subject: BLUE FOLDER ITEM - Budget & Finance

I respectfully request the status from the Budget & Finance Committee - of replacing the VETERANS MEMORIAL plaques that were stolen a year ago. The City needs to find the funds to replace these plaques and to honor our veterans.

This should be put on the Agenda for discussion and action and as high priority.

Kathy McLeod
[REDACTED]

Sent from my iPhone



Administrative Report

J.5., File # BF25-0438

Meeting Date: 4/2/2025

To: BUDGET AND FINANCE COMMISSION
From: STEPHANIE MEYER, INTERIM FINANCE DIRECTOR

TITLE

DISCUSSION AND CONSIDERATION OF THE CITY COUNCIL STRATEGIC PLAN

EXECUTIVE SUMMARY

The Redondo Beach City Council will meet to consider its Strategic Plan on April 29, 2025. At that time, City Council will consider input from the City's Commissions along with staff recommendations as it looks to set the next year's agenda for City staff. The Budget and Finance Commission may submit a list of priority projects for Council consideration the April 2025 Strategic Planning session.

BACKGROUND

City Council meets twice annually to develop a Strategic Plan: the document through which City Council directs city staff projects, assignments, and priorities. The strategic planning process results in a project list, assigned to a specific city department or departments, along with deadlines to complete tasks.

On September 10, 2024, the City Council held a strategic planning session to discuss and update the City's Strategic Plan. At the session, the Mayor and City Council considered recent accomplishments, completed a strengths, weaknesses, opportunities, and threats (SWOT) analysis, evaluated, and adjusted the previously established three-year goals, and listed specific objectives for the upcoming planning period which was set for the next six-months. The Plan's three-year goals and six-month objectives were finalized on October 8, 2024. The City Manager provides monthly updates to the adopted six-month objectives to enable the Mayor and Council to monitor the City's progress on the Strategic Plan. The City Manager presented the fifth and most recent update to City Council on March 18, 2025 (Attachment 1).

Council follows a collaborative process to create the Strategic Plan project list. Council commonly solicits project ideas from staff, and is amenable to accepting letters of recommendation from various City Commissions, including the Budget and Finance Commission. The intent of this item is to provide time for Commissioners to discuss suggestions for projects and priorities, which the Commission could then include in a letter to the City Council for its consideration at the April 29, 2025 strategic planning session. An example of such a communication (Harbor Commission input into the September 2024 strategic planning process) is included as Attachment 2.

ATTACHMENTS

- 03.18.2025 -Strategic Planning Matrix Update

- Blue Folder Item September 10, 2025 - Letter from the Harbor Commission regarding Strategic Plan

CITY OF REDONDO BEACH STRATEGIC PLAN
THREE YEAR GOALS
6 MONTH OBJECTIVES
September 2024 – April 2025

CM= City Manager ATCM=Assistant to City Manager CD=Community Development CS=Community Services FD=Fire Department FS=Financial Services HR=Human Resources IT=Information Technology LIB=Library
PD=Police Department PW=Public Works WED=Waterfront and Economic Development CA=City Attorney CC=City Clerk CT=City Treasurer

GOAL 1: Modernize the City's Technology and Systems							
WHEN	WHO	OBJECTIVES	STATUS			COMMENTS	
			DONE	ON TARGET	REVISED		
1. By March 1, 2025	CC & IT	Digital Records Enhancement: Work with Departments to determine the records that can be digitized in order to improve operations, meet retention requirements, develop a plan to digitize the records, make them more easily accessible to the public, and provide a progress report to the City Council.			X	The City Clerk requests that the item be moved to June 3 due to election-related duties and lack of staff.	
2. By January 1, 2025	IT & PW	Pallet Shelter WiFi: Develop a plan to provide public WiFi at the pallet shelter.	X			The equipment will be installed at the pallet shelter in the upcoming weeks.	
3. By February 1, 2025	IT & ATCM	Increase Online Services: Inventory City processes by Department and develop a plan to prioritize and implement new digital/online processes to improve the functionality of the City website and enhance service delivery, including a system for Planning and Engineering Permits.		X		The iWorq project is currently in the implementation phase with a go-live date planned for the first quarter of 2025.	
Future	CC, IT & ATCM	Agenda Management System and Agenda Forecast: Continue implementation of the new Agenda Management System and work to create an Agenda Forecast report.		X		Upgrades to the City's streaming infrastructure were completed in February.	
Future	CC & IT	PRA Software: Research software options to improve the workflow for public records act requests.		X			

GOAL 2: Vitalize Commercial Areas of the City

WHEN	WHO	OBJECTIVES	STATUS			COMMENTS
			DONE	ON TARGET	REVISED	
1. By March 1, 2025	CD	AACAP Implementation - Rooftop Dining, Lot Merger Incentives, and new Signage Standards: Provide a report to the City Council on the process to study and consider implementing rooftop dining, lot merger incentives that would encourage property reinvestment/revitalization, and options to enhance the quality of business signage along the boulevards.			X	<i>Discussion on the rooftop dining standards for AACAP will occur as part of the Phase II GPU process. The initial GPU Phase 2 discussion is scheduled for March 18, 2025.</i>
2. By November 1, 2024	CD	Artesia FAR Increase: Prepare an Environmental Impact Report addressing the impacts of expanding the Artesia/Aviation Corridor FAR from 0.6 to 1.5 in conjunction with the General Plan Update and Zoning Revisions and present the findings to the City Council.			X	<i>See note above.</i>
3. By April 1, 2025	CD	Artesia/Aviation Parking Regulation Update: Provide a report to the City Council detailing the impact the changes made to Artesia Blvd parking regulations are having on business reinvestment in the area and share the results with the newly created Economic Development Working Group.		X		
4. By April 1, 2025	CS, WED & PW	Public Art and Branding on Artesia: Provide a report to the City Council on public art procurement and branding efforts on Artesia Blvd.		X		
5. By December 1, 2024	CS & ATCM	Cannabis Permit Selection Process: Finalize the City's Ordinance for the process to select cannabis retail licenses and regulate cannabis business operations.	X			<i>The Ordinances were adopted by Council on March 11, 2025.</i>
6. By November 1, 2024	CD	General Plan Update: Complete review of the EIR for the proposed General Plan updates and consider the Ordinances for implementation of the City's Housing Element.	X			The City Council certified the EIR and adopted the resolutions and ordinances needed to implement the Housing Element in early November 2024.
7. By February 1, 2025	WED	Harbor, Pier Leasing Strategy: Develop a leasing strategy for critical commercial properties in the Harbor and Pier area.			X	<i>City staff plans to prepare an item regarding priority lease marketing sites as part of an April/May 2025 Closed Session agenda.</i>
8. By January 1, 2025	WED & PW	International Boardwalk Restaurant Venting Improvements: Provide a report to the City Council on the status of kitchen venting equipment along the International Boardwalk and strategies to reduce associated impacts.	X			The new vents were installed on December 5, 2024.
9. By April 1, 2025	WED, CD & CM	Attracting New Businesses to the City: Present the City Council with options to stimulate interest from businesses to locate and invest in Redondo Beach. Convene an Economic Development Working Group to help recruit/retain businesses and assist staff in identifying and analyzing conditions/regulations/processes that exist in the City that may impede business reinvestment.		X		<i>City staff has created an internal Economic Development Working Group to help identify impediments to business investment and to begin identifying possible businesses/community members that could be added to the group to assist the effort. The group has met twice and</i>

						<i>consists of staff from WED, CD, PW, and CMO. Additionally, staff intends to prepare an admin report (April) for the City Council to consider forming a Mayor and City Council Subcommittee to participate in the group.</i>
10. By April 1, 2025	WED & CD	Marina Parking Standards Update: Identify the process and cost to consider adjusting the Local Coastal Program requirements for marina parking.		X		
11. By March 1, 2025	PW & WED	Pier Plaza Parking Upper Deck Structural Analysis: Provide the City Council with a Budget Response Report (BRR) on the cost to conduct an in-depth structural analysis of the Pier Parking Structure's upper deck.	X			<i>A BRR was included during the Mid-Year Budget review on February 18, 2025</i>
12. By March 1, 2025	CD & WED	PCH Corridor Area Plan: Provide the City Council with a BRR on the cost and process to create a PCH Corridor Area Plan.			X	Staff intends to initiate this project in May 2025, following final adoption of the General Plan update.
13. By January 1, 2025	WED	Review Lease Options for the Waterfront Property that formerly housed the Gold's Gym: Agendize a Closed Session item to discuss lease options associated with the former Gold's Gym site.			X	<i>Staff will agendize a closed session item to discuss the options in April or May 2025.</i>
14. By April 1, 2025	WED	Business Concierge Program: Provide the City Council with an update on the impacts of the Business Concierge Program.		X		<i>Staff will present a Discussion Item to the City Council on April 1, 2025.</i>
Future	PW	Riviera Village Outdoor Dining Parklets and Village Parking Improvements: Using Metro provided grant funds, design sidewalk/right-of-way/parking improvements that would allow for the implementation of long-term outdoor dining in Riviera Village.		X		Project concepts and ideas were workshopped at a Metro Complete Streets Training. City may perform preliminary investigation work to be included in an RFP for design services.
Future	CD	Temporary Use Permits: Review the active TUP's in the City and provide a report on the conditions associated with the permits and their anticipated longevity.			X	Staff has engaged with the California Coastal Commission and is developing a program to permanently allow outdoor dining in specific areas. A report outlining the permitting process and status of the TUPs will be brought to the City Council in March 2025.
Future	FS, ATCM & CA	Business License Code Review: Evaluate the City's Business License Ordinance and make recommendations to update business descriptions/definitions and fees.		X		

GOAL 3: Increase Environmental Sustainability

WHEN	WHO	OBJECTIVES	STATUS			COMMENTS
			DONE	ON TARGET	REVISED	
1. By February 1, 2025	PW & CD	Native Planting and Pollinator Requirements: Provide a report to the City Council on options to implement native plant and pollinator requirements in the City and present the feedback provided by the Public Works and Sustainability Commission on the subject.	X			<i>The item was presented to the City Council on March 11, 2025.</i>
2. By February 1, 2025	PW	Stormwater Capture: Provide a report to the City Council on the status of the City’s stormwater capture policies and projects.	X			<i>Stormwater Capture options will be included as part of the General Plan Update in the Open Space and Conservation Element.</i>
3. By March 1, 2025	PW & CS	Wylie Sump Renaming: Provide a report to the City Council on the process to consider renaming Wylie Sump to the Wiley Nature Preserve and engage the Friends of Wiley Sump and the South Bay Parkland Conservancy to develop an MOU(s) for restoration/maintenance of the facility.		X		A Draft MOU is currently being reviewed by staff. Additionally, staff are researching the O&M of the existing flood control facility. A Quitclaim Deed was filed in 2000 between the LAFCD District and the City, transferring all county rights, title, and interest in an easement for a retention and absorption basin, along with related structures, to the City.
4. By April 1, 2025	LIB & CS	Develop Experiences to Engage the City’s Historic Resources: Inventory the City’s historical resources and landmark signs and work with the Public Amenities Commission and community members to create audio content for self-guided walking tours highlighting these resources.		X		
5. By April 1, 2025	CD & CA	Preservation Ordinance and Historic Resources Survey: Provide a report to the City Council on possible updates to the City’s Historic Preservation Ordinance and prepare a contract for completion of a Historic Resources Survey.			X	<i>A policy discussion on the Historic Preservation Program and pending Historic Survey will be considered as part of the Phase II General Plan Update, which is scheduled for initial discussion on March 18, 2025.</i>

GOAL 4: Invest in the City's Infrastructure

WHEN	WHO	OBJECTIVES	STATUS			COMMENTS
			DONE	ON TARGET	REVISED	
1. By January 1, 2025	PW	Renovations and/or Replacement of City Buildings: Depending on the outcome of Measure FP, provide a report to the City Council on the process/timeline to issue GO bonds and begin the design of new public safety facilities			X	<i>Staff is planning to bring a Reimbursement Resolution and an agreement with a Municipal Advisor to Council for consideration of approval on 03/18/2025.</i> <i>An RFP for an Owner's Representative is currently out to market with a closing proposal date of March 27, 2025</i>
2. On October 15, 2024	WED & PW	Seaside Lagoon: Present the recommended Seaside Lagoon design, cost, and construction phasing schedule for consideration of City Council approval.	X			The Seaside Lagoon design, cost, and phasing plan was presented to City Council (and approved) on October 15, 2024.
3. By January 1, 2025	CS	Veterans Park Library Concessionaire: Identify the facility improvements needed to reopen the Veteran's Park Library Building and finalize the terms of the proposed concessionaire agreement.			X	<i>Terms of the contract with Made by Meg, the selected concessionaire, were discussed in closed session on March 11, 2025 and will be again on March 18.</i>
4. By April 1, 2025	WED	Boat Launch Pre-Design: Complete the engineering studies needed to design the new public boat launch and present the results to the City Council for review.			X	<i>Studies have been submitted to City staff from the consultant. Staff from PW, CD, and WED have provided comments on the draft studies and the consultant is making necessary adjustments. Revised studies will be completed by April 1, 2025.</i>
5. By March 1, 2025	PW	Street Sign and Traffic Pole Inventory: Prepare a BRR that provides an inventory of the City's street signs and traffic poles and includes funding estimates to systematically replace the signs and poles throughout the City.	X			<i>A BRR was presented to Council on February 18, 2025 detailing the costs associated with this effort.</i>
6. By March 1, 2025	PW	Street Rehabilitation: Prepare a BRR that identifies the City streets that require major reconstruction and provides cost estimates and funding options for their repair.	X			<i>A BRR was presented to Council on February 18, 2025.</i>
7. By March 1, 2025	WED & PW	Waterfront Infrastructure Repair Costs: Prepare a BRR on the estimated cost to repair critical public infrastructure in the waterfront including the beach pedestrian path, the storm drain outfall facilities south of Topaz, and the sea walls in King Harbor.	X			<i>A BRR was presented to Council on February 18, 2025 for consideration</i>

8. By December 1, 2024	CD	Development Impact Fees: Research the cost to conduct a Development Impact Fee Study.	X			The fee study contract has been approved. Work on the fee study has begun and the final report will be presented to the City Council in April 2025.
Future	PW & WED	Climate Resiliency Plan: Pursue grant funding and procure an engineering firm to prepare a climate resiliency plan.		X		
Future	WED	Waterfront Education Center: Discussion on the conceptual plan associated with the Waterfront Education Center, including potential partners and opportunities for plan implementation.		X		<i>The item has appeared on closed session agendas on January 14, 2025 and February 18, 2025. Discussions are ongoing and staff anticipates returning to closed session in late April 2025.</i>

GOAL 5: Maintain a High Level of Public Safety

WHEN	WHO	OBJECTIVES	STATUS			COMMENTS
			DONE	ON TARGET	REVISED	
1. By January 1, 2025	WED & FD	Comparative Analysis of Harbor Models: Present a report to the City Council comparing the City's harbor/marine management operating model/organizational structure to others.			X	<i>Staff is conducting research of models in place in other jurisdictions and will be prepared to present to the City Council in May 2025.</i>
2. By February 1, 2025	CA, FD & PD	Mental Health Response: Present a report to the City Council on the City's efforts to utilize grant funding to hire a mental health clinician to provide targeted response to mental health-related incidents in the City.			X	<i>CA's Office plans to present this item to Council on May 6, 2025.</i>
3. By April 1, 2025	PW & PD	Shooting Range Replacement: Complete the studies/design work needed to prepare the federal grant application for funding to replace the City's Police Shooting Range and engage appropriate outside/partnership agencies.		X		<i>Staff is engaging with the grant writing consultant to prepare the application with a project progress meeting scheduled for the week of March 16, 2025</i>
4. By February 1, 2025	FD & HR	Recruit and Hire an Emergency Preparedness Coordinator: Prepare a job specification for the Emergency Preparedness Coordinator position.		X		A draft job specification is currently being prepared by staff.

GOAL 6: Enhance the Delivery of City Services

WHEN	WHO	OBJECTIVES	STATUS			COMMENTS
			DONE	ON TARGET	REVISED	
1. By December 1, 2024	ATCM, CA & CC	Code of Conduct: Update the Code of Conduct Policy for City Council and Commissioners per Council direction and present the revised policy to City Council for consideration of approval.			X	<i>This item is expected to be presented to Council on April 1, 2025.</i>
2. By March 1, 2025	CS	Redondo Beach Performing Arts Center: Provide a report to the City Council on the status of RBPAC operations and ways to maximize facility revenue.			X	<i>This item will be presented to Council on April 1, 2025</i>
3. By February 1, 2025	CS & PW	Memorial Bench/Plaque Program: Explore options to expand the City's memorial bench/plaque program including alternative commemorative opportunities (including plaques and artwork) along the Esplanade.		X		
4. By April 1, 2025	ATCM	Olympics/World Cup Activities: Work with Olympic and World Cup organizers to host promotional activities and events in Redondo Beach.		X		
5. By January 1, 2025	ATCM & CA	Green Line EIR Review: Identify and engage consultants needed to assist the City with review/analysis of the EIR prepared by Metro for the Green Line Extension Project.			X	An agreement with an Environmental Review firm was approved by Council on January 21, 2025 and an agreement with a Geotechnical firm was approved on February 4, 2025. Both firms will help with the review of Metro's latest environmental impact documentation.
6. By April 1, 2025	CM & FS	Staffing Needs Assessment: Provide the City Council with a report on the costs of adding staff positions to the organization that would enhance critical City services.		X		
7. By March 1, 2025	CM & FS	Contract Management Position: Provide the City Council with a report on the cost of adding a contract management position to the organization.	X			<i>A candidate with contract management skills was identified as part of the recruitment/hiring of the ATCM position. The new employee begins on March 24 and will be tasked with coordinating a citywide contract management training program, in partnership with a local university.</i>
8. By April 1, 2025	CS	Bus Stop Advertising: Research the opportunity to utilize bus stop furniture/structures to generate advertising revenue and provide a report to the City Council.		X		
9. By April 1, 2025	IT & All Depts.	Develop Department Performance Metrics: Identify what performance data is available in each department and determine the feasibility of providing periodic reports to the City Council and/or Commissions to enhance the public's general knowledge of City operations.		X		
10. By April 1, 2025	LIB	Library Grant Exploration: Explore opportunities to secure grant funding to develop and support a public 3D printing program.		X		Staff continues to explore grant opportunities to develop and

						support a public 3D printing program.
11. By February 1, 2025	CA	Anti-Camping Regulations: Evaluate recent anti-camping court decisions and report to the City Council on any recommended corresponding modifications to the Redondo Beach Municipal Code.			X	<i>This item is expected to be presented to Council on April 1, 2025.</i>
12. By April 1, 2025	CD & CA	Co-Living/Single Room Occupancy Policy: Evaluate options for regulating Co-Living and Single Room Occupancy development in the City and provide a report to the City Council.		X		
13. By March 1, 2025	CM, ATCM & FS	City and RBUSD Shared Expenses: Work with RBUSD officials to identify ongoing expenses and develop appropriate agreements/MOUs to formalize responsibilities for publicly shared facilities.		X		<i>Discussions are ongoing as a part of regular meetings of the City Council / School District Board Member Subcommittee. A letter formally requesting funding for the City's Crossing Guard Program was submitted by the CM to the School Superintendant in late February.</i>
Future	CD & CA	Inclusionary Housing Ordinance: Work with HCD staff to determine the feasibility/benefits of an inclusionary housing ordinance.		X		

BLUE FOLDER ITEM

Blue folder items are additional back up material to administrative reports and/or public comments received after the printing and distribution of the agenda packet for receive and file.

CITY COUNCIL MEETING SEPTEMBER 10, 2024

M.1. DISCUSSION AND POSSIBLE ACTION ON THE CITY'S STRATEGIC PLAN, GOALS AND OBJECTIVES

Attachments: Letter from the Harbor Commission regarding Strategic Plan

CONTACT: GREG KAPOVICH, WATERFRONT & ECONOMIC DEVELOPMENT DIRECTOR

To: City Council
From: Harbor Commission
Date: April 29, 2024

Subject: Harbor/Pier related strategic planning priority projects

At the April 8, 2024 meeting of the Harbor Commission the Harbor Commission deliberated recommendations for the upcoming update to the city's Strategic Plan. After much discussion and input from the public, the Harbor Commission unanimously approved the recommendations that follow. We request your consideration of our recommendations, which are not ranked in any order of importance.

- 1. Recommended Objective: Continue to seek development partnerships to construct a new education facility at the old Joe's Crab Shack site. Negotiate a lease/license agreement with a non-profit organization to redevelop the site.**

Applicable strategic plan goal: Increase environmental sustainability

When: By February 2025

Rationale: The city recently completed an analysis of the old Joe's Crab Shack site, which provided conceptual drawings by Gensler Architects. The study revealed the size and scale of development that could be accommodated based on municipal code regulations. With an understanding of what can be physically constructed on the site, staff should seek a private/public partnership with a non-profit educational organization to redevelop the site into what was envisioned in the Amenities Plan.

- 2. Recommended Objective: Seaside Lagoon. Apply for and receive additional grant funding for the Seaside Lagoon. Drive entitlement approval within the next year.**

Applicable strategic plan goal: Vitalize core commercial areas of the City

When: By April 2025

Rationale: The City Council and the Amenities Plan have prioritized Seaside Lagoon as a First Phase of implementation of the Amenities Plan. This objective has two parts.

- The first part of this objective is for staff to complete the community outreach portion of the project, present design options to City Council, and finish the City entitlements process over the next year.
- The second objective is for staff to work in parallel with the design process to identify, apply for and receive additional grants from the state or potentially other sources.

- 3. Recommended Objective: Boat Ramp. Procure a contract with a design firm and prepare the necessary studies (parking, traffic, demand) required to begin conceptual designs of the boat launch. Begin the entitlement process.**

Applicable strategic plan goal: Vitalize core commercial areas of the city

When: By November 2024

Rationale: The Council and the Amenities Plan define the boat ramp as a Phase 1 priority for implementation. WED staff has socialized grant funding with the appropriate state staff which would cover costs associated with permitting and construction. Said State grant does not cover the necessary studies (parking, traffic, demand) required to conceptually design the boat launch nor the entitlement process. The City's existing Capital Improvement Program contains

\$400,000 for future designs of a new boat launch. This goal of procuring a contract and preparation of the necessary studies will begin the design and entitlement process that must occur before staff applies for grant funding to begin the permitting and construction phases.

4. **Recommended Objective: Continue to seek development partnerships to redevelop the old Fun Factory tenant space. Negotiate a master lease with a developer or commercial broker to redevelop the site.**

Applicable strategic plan goal: Vitalize core commercial areas of the city.

When: By March 2025

Rationale: The old Fun Factory site, which is located just south of the Pad 10 skatepark and north of the parking structure remains vacant. The space must remain vacant for the next year to accommodate the seismic upgrades of the adjacent parking structure. This goal of negotiating a development partnership will ensure a plan is in place to redevelop the space as soon as the space is no longer needed for the parking structure improvement project.

5. **Recommended Objective: Continue to investigate harbor patrol models from surrounding city and county harbors. Direct staff to enter into a contract with a third-party consultant to conduct an analysis of the harbor patrol, similar to what was done with the Fire Department but more specific to the Harbor Patrol. The analysis should look to improve efficiency, compare services offered within our Harbor and nearby harbors, and create one over-arching Harbor Master that coordinates the various city departments that work in/around the harbor, inclusive of WED, PW, PD, and FD.**

Applicable strategic plan goal: Increase efficiency of the Harbor Patrol

When: By August 2024

Rationale: An analysis was recently performed of the Fire Department by Citygate Consultants. The Harbor Patrol is one aspect of the Harbor Patrol and was included in this assessment. However, a Harbor Patrol is unique and a separate study should be conducted to analyze best practices, efficiency, and services rendered in comparison to nearby Harbors.

6. **Recommended Objective: Explore the feasibility of increasing staff levels within the Waterfront & Economic Development Department. Approve one additional full-time staff member within WED for the upcoming budget.**

Applicable strategic plan goal: Increase efficiency and bandwidth of WED

When: By July 2024

Rationale: The Waterfront & Economic Development Department is undertaking key redevelopment projects within the harbor inclusive of a new boat launch, renewed Seaside Lagoon, renovated Fun Factory space, new structure on Pad 2, new slips within Basin III, and an educational facility at the old Joe's Crab Shack site. Staff is also overseeing various CIP projects, renegotiating four long-term Master Leaseholds while also acting as property management and lead negotiator for International Boardwalk and Pier Plaza Office Complex. WED is also taking the lead for all potential grant applications, projects related to the implementation efforts for the Artesia and Aviation Corridors Area Plan, as well as primary liaison to the Harbor Commission. The current staff level of four people should be increased by at least one full-time staff member to accommodate the various projects competing for attention. The Harbor

Commission also recommends creative solutions to achieve additional staff beyond the requested one full-time position in the form of interns, volunteers, and part-time support.

7. Recommended Objective: Explore the feasibility of extending the south sea wall with the Army Corps of Engineers and others as required

Applicable strategic plan goal: Increase environmental sustainability

When: By March 2025

Rationale: Army Corps of Engineers studies show wave and surge action on Moles C and D could be significantly reduced by extending the south sea wall. (See Figure 1). With the investment in Mole C and D infrastructure, extension of the sea wall would reduce the risk of storm activity damaging the new amenities. Also the calming effect of the extension would reduce shut down times of the new boat ramp and make it safer to use.

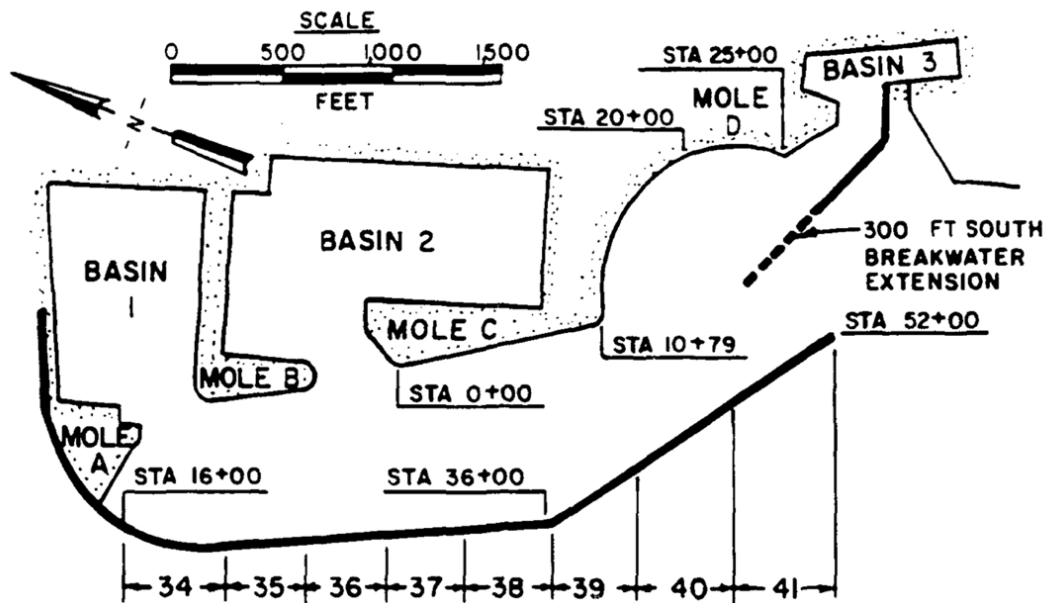


Figure 8. Redondo Beach King Harbor breakwater sections where wave-height recurrence were estimated

Figure 1: Drawing from Army Corps of Engineers analysis of King Harbor Breakwater includes 300 foot extension of south breakwater