

RESOLUTION

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN PABLO (1) ACCEPTING THE GENERAL FUND REVENUE ENHANCEMENT RECOMMENDATIONS BY NBS GOVERNMENT FINANCE GROUP; AND (2) AUTHORIZING THE CITY MANAGER TO AMEND THE FY 2023-25 CITY COUNCIL PRIORITY WORKPLAN WITH PROPOSED POLICY AMENDMENT NO. 10, UNDER MAJOR POLICY GOAL: FOCUS ON ECONOMIC DEVELOPMENT AND FISCAL DIVERSIFICATION, EXPANDING EXISTING POLICY 405: EXPLORE AND SUSTAIN NEW REVENUE ENHANCEMENTS TO THE CITY'S GENERAL FUND

WHEREAS, the City Council Priority Workplan (Workplan) is an annual policy making document established by majority vote of the City Council for purposes of providing policy direction for implementation by the City Manager. Once adopted, the City Manager directs all City resources and staffing toward adopted policy areas/items beyond daily operational needs. Periodic amendments are made following adoption throughout the fiscal year period (FY);

WHEREAS, on April 5, 2023, the City Council held a Special City Council meeting/Council Priority-Setting Workshop to discuss and deliberate over new Council policy initiatives and goals for the upcoming Fiscal Year 2023-25 period;

WHEREAS, following significant discussion at the end of the Special Meeting/Priority-Setting Workshop, the City Council unanimously voted by minute action to direct the City Manager to prepare a Final Workplan document to include all recommendations from the Executive Leadership Group (ELG), and further additions and deletions as directed by the City Council which was adopted on May 1, 2023 by Resolution 2023-058;

WHEREAS, on May 1, 2023, the City Council adopted the Workplan via Resolution 023-058, and on the same agenda, approved Amendment No. 1 to the Workplan by majority vote via Resolution 2023-065;

WHEREAS, the City Council maintains a two-step process for amending the City Council Priority Workplan which includes the following two (2) steps:

- Step No.1: Adopt a motion via minute order to add the proposed Workplan amendment to a future City Council agenda for formal policy discussion; and
- Step No.2: Have the policy discussion about the proposed Workplan amendment as part of an agenzized item at the City Council meeting to meet Ralph M. Brown Act requirements; Vote to approve/deny the policy amendment to the Workplan by majority vote via Resolution.

WHEREAS, on June 5, 2023, the City Council approved Amendment No. 2 to the Workplan via Resolution 2023-092;

WHEREAS, on August 7, 2023, the City Council approved Amendment No. 3 to the Workplan via Resolution 2023-130;

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WHEREAS, on December 13, 2023, the City Council approved Amendment No. 4 to the Workplan via Resolution 2023-167;

WHEREAS, on February 5, 2024, the City Council approved Amendment No. 5 to the Workplan via Resolution 2024-015;

WHEREAS, on March 18, 2024, the City Council approved Amendment No. 6 to the Workplan via Resolution 2024-042;

WHEREAS, on July 15, 2024, the City Council approved Amendment No. 7 to the Workplan via Resolution 2024-106;

WHEREAS, on September 3, 2024, the City Council approved Amendment No. 8 to the Workplan via Resolution 2024-120;

WHEREAS, on October 7, 2024, the City Council approved Amendment No. 9 to the Workplan via Resolution 2024-127; and

WHEREAS, on December 9, 2024, the City Council is requested to authorize approval of the proposed Policy Amendment No. 10 to the Workplan, under Major Policy Goal: Focus on Economic Development and Fiscal Diversification, under existing adopted *Policy #405: Explore and Sustain New Revenue Enhancements to the City's General Fund*; as follows:

Summary of Policy Amendment #10

(1) Add Policy No. 405.2: Adopt a new fiscal discipline and financial practice to restrict new General Fund spending on any new program or service and maintain existing budgeted FTE staffing levels in the adopted FY 2024-25 Class and Comp Plan until June 30, 2027, or until the City generates a total of \$2,000,000 in new, net increase in annual General Fund revenue whichever occurs first; and

(2) Add Policy No. 405.3: Explore feasibility and implementation of new General Fund revenue mechanisms by:

- Gather and conduct polling and survey analysis for a future City Council approval process during 2025-2027 period under a proposed Tier I, II, and III implementation plan with necessary data, as follows:

TIER I Implementation: (Administrative – Related)

- Master Fee Schedule Update (with Cost Allocation Plan)

TIER II Implementation: (Property Related – 2025-26 Property Protest Process)

- City wide LLAD Assessment Increase
- Stormwater Drain Fee

TIER III Implementation: (Electorate vote – 2026 Election Cycles)

- City Charter Amendment (Majority Vote Req.)
- Real Estate Transfer Tax (Majority Vote Req.)
- ½ cent or 1 cent Sales Tax (Majority Vote Req.)
- Utility User Tax Increase (Prop. 218 Special Purpose Req.)

WHEREAS, on December 2, 2024, the Budget, Fiscal & Legislative Standing Committee (Mayor Ponce / Councilmember Pabon-Alvarado) received a presentation on the City’s General Fund Revenue Enhancements analysis from NBS Government Finance Group and, upon motion and unanimous vote, directed that the NBS recommendations and proposed amendment No. 10 to the Workplan be forwarded to the City Council for consideration and approval.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of San Pablo hereby:

1. Accepts the General Fund Revenue Enhancement Recommendations by NBS Government Finance Group; and
2. Approves the proposed Policy Amendment No. 10 to the Workplan, under Major Policy Goal: Focus On Economic Development and Fiscal Diversification, under existing adopted *Policy No.405: Explore and Sustain New Revenue Enhancements to the City’s General Fund*; as described above.

BE IT FURTHER RESOLVED that the foregoing recitations are true and correct and are included herein by reference as findings.

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ADOPTED this 9th day of December, 2024, by the following votes:

AYES: COUNCILMEMBERS:
 NOES: COUNCILMEMBERS:
 ABSENT: COUNCILMEMBERS:
 ABSTAIN: COUNCILMEMBERS:

ATTEST:

APPROVED:

 Dorothy Gantt, City Clerk

 Patricia Ponce, Mayor