



Pedro "Pete" M. Sanchez, Mayor  
 Jane Day, Mayor Pro-Tem  
 Sam Derting  
 Michael J. Hudson  
 Michael A. Segala

First and Third Tuesday  
 Every Month

## CITY OF SUISUN CITY

701 Civic Center Blvd.  
 Suisun City, California 94585

Incorporated October 9, 1868

June 19, 2007

Honorable Mayor and Members of the City Council:

It is with great pleasure that we submit the Fiscal Year 2007-08 Annual Budget to you. Building from efforts initiated in the prior fiscal year, the budget before you continues to address many of the needs and demands of the operating departments, while remaining mindful of the overall fiscal constraints that we must operate under. Consequently, we continue to be conservative in our approach to budgeting and planning for the future.

Building upon the discussions with Council during the budget goal setting session held back in February 6, 2007, the budget workshop held in May 20, 2007, as well as the Budget Hearing on June 5, 2007, staff has worked hard to prepare work programs that will address the Council's objectives and interests. This has been done in a fiscally prudent and effective manner, while remaining mindful of the financial policy parameters adopted by the Council in FY 2006-07.

The broad goals and priorities identified by Council in February, which serve as the foundation for this budget, include:

1. Economic Development – *New business attraction/long-term fiscal health.*
2. Neighborhood Reinvestment – *Streets, residential rehab, related infrastructure.*
3. Public Safety – *Equipment replacement, technology enhancement.*
4. Recreation & Leisure Services – *Youth and building a sense of community.*
5. Strong Dedicated Workforce – *Striving to be competitive.*

As such, the budget presented for your review and consideration:

- Anticipates an ongoing General Fund operating surplus of just nearly \$420,000 *after* addressing many organizational needs and demands.

DEPARTMENTS: AREA CODE (707)

ADMINISTRATION 421-7300 ■ PLANNING 421-7335 ■ BUILDING 421-7310 ■ FINANCE 421-7320  
 FIRE 425-9133 ■ RECREATION & COMMUNITY SERVICES 421-7200 ■ POLICE 421-7373 ■ PUBLIC WORKS 421-7340  
 REDEVELOPMENT AGENCY 421-7309 FAX 421-7366

- These ongoing operational needs include:
  - ✓ Increasing per diem stipends for our volunteer firefighters, while offering life insurance benefits in consideration of the risk that is inherent in this line of service;
  - ✓ Planning for upcoming negotiations with both SEIU and POA (whose contracts with the City end on December 31, 2007), as we continue to improve our compensation relationship to the marketplace for all employees;
  - ✓ Reducing Police Department costs in select areas in order to increase staffing by one new position of Communications Technician I/II at no additional cost to the General Fund. Additional position will enhance communications, records management, crime analysis, and crime prevention services for the Department;
  - ✓ Increasing special events funding to include free Friday Night Concerts on the Waterfront, weekly movies on the plaza, expanded Sunday jazz series and fireworks for the annual Christmas celebration in Old Town.
- Estimates one-time reserves of roughly \$5.6 million, which surpasses adopted financial policies for General contingency (20% of ops), Stabilization reserve (10% of ops) and Emergency reserve (20% of ops) by approximately \$470,000.
- This estimate for reserves is *after* addressing significant one-time infrastructure, organizational and service needs including, among others:
  - ✓ \$400,000 of GF reserves from the sale of the Twin Sisters property to augment non-GF resources for street and road maintenance;
  - ✓ \$105,000 for public safety equipment and tools including two “Jaws of Life”, three CO detectors and handheld radio and phone system replacement for fire personnel, and the establishment of a single weapons platform for the SCPD;
  - ✓ \$110,000 for technology enhancements including a fully networked GIS, compilation of building data for GIS, and upgraded network infrastructure between city hall and the police department;
  - ✓ \$40,000 to ensure an after school program at Dan O. Root II Elementary School;
  - ✓ \$34,000 for two new vehicles tied to enhanced development activity (i.e., one each for building inspection and construction inspection staff, respectively);
  - ✓ \$30,000 for the re-establishment of a non-profit grant program.

Beyond these highlights, we are pleased to share with Council that the City has received verbal confirmation of an award of a two-year Office of Traffic Safety (OTS) grant that will support the funding of a Sergeant and Officer dedicated to traffic enforcement on a full-time basis over the term of the grant. Monies are anticipated to be available beginning October 2007. Once formally awarded, the program specifics will be brought forward to Council for consideration and acceptance.

Other efforts to leverage resources and partnerships have resulted in continued funding for a School Resource Officer at Crystal Middle School and, through a newly established School District program, funding for a non-sworn School Safety Officer at the same site.

Turning to the Redevelopment Agency: Tax increment generation continues to be strong, which in turn, enhances monies available for both Agency and Housing Set-Aside projects. Although Agency monies are allocated through-out a series of twelve-funds, which makes it challenging to easily track (and which staff will be restructuring as part of next year's budget effort), key observations include:

- Annual tax increment monies, after pass-throughs, are estimated at nearly \$11.9 million, which represents an increase of nearly \$700,000 over the prior year. Of this amount, approximately \$5.6 million is for debt service.
- The Agency (excluding Housing Set-Aside funds) is anticipated to have an ending balance of roughly \$5.5 million by the end of the fiscal year. This figure:
  - ✓ Excludes appropriations to be made for the public courtyard plaza that is being constructed as part of the core Main Street West project, as well as Phase I amendments and Phase II off-site improvements at this site (estimated in total to be roughly \$2.2 million).
  - ✓ However, it likewise excludes monies anticipated to be paid back from the County as part of the financing agreement for the new library (estimated at \$1 million for year 1) and the purchase of the old Crystal Middle School site by Main Street West (estimated at \$2.5 to \$3 million), to name only a few upcoming transactions.
- The Housing Set-Aside ending balance for the same period is estimated at \$8.2 million *after* contributing to the financing of the Bridge/Cottonwood Housing project of \$2.2 million.
- Significant operational enhancements and project activities incorporated in the Agency budget include:
  - ✓ \$62,000 for contract staff to augment the two existing full-time positions responsible for real estate transactions and development projects; anticipates equivalent of 20-hours/week higher end professional support.
  - ✓ \$300,000 for gateway signage.
  - ✓ \$100,000 for neighborhood reinvestment.
  - ✓ \$50,000 for commercial façade improvements.
  - ✓ \$40,000 for ADA compliance.
  - ✓ \$5,000 to enhance the website to better market the community.
  - ✓ \$160,000 for code enforcement including monies for two City "Cleanup Days".

- ✓ \$1.6 million for Library construction advances as part of the financing agreement between the County, School District, City and Agency for the new library.

With Economic Development as one of the top priorities of the City Council – an effort that encompasses bringing new business to town, facilitating new development, removing blight and ultimately broadening the City’s tax base in order to deliver services to the community that it deserves - it is appropriate to highlight the major development projects that are underway or in the works. They include:

- **Main Street West**, which will ultimately involve 46,000 sq. ft. of restaurant/retail/ office uses at Main & Solano (occupancy spring 2008); three additional waterfront sites for work/live units (like Athenian Grill and Bab’s); 150 residential units and a \$5 million reinvestment strategy for the west side of Main Street.
- **Waterfront Hotel**, an approximately 100 room Hampton Inn & Suites at the north end of the marina catering to both the business and leisure traveler with upgraded room amenities, pool/spa, executive retreat conference facilities and breakfast service; summer 2008 opening with TOT estimated at \$275,000 to \$300,000 annually.
- **Gentry/Trumark Annexation**, a 481,000 square foot power shopping center at the SW quadrant of Highway 12 and Pennsylvania that will include 262 single-family residential units; timing includes LAFCO fall 2007 with spring 2010 occupancy of key pads; sales and property taxes estimated at \$2.2 million annually.
- **Wal-Mart Supercenter**, entitlement process underway with Planning Commission and City Council hearings anticipated for fall 2007; with approvals, occupancy planned for winter 2008-09; conservative estimate of sales tax targeted at \$500,000 to \$550,000 annually.
- **Other Projects**; the Agency is in exclusive negotiations on a number of parcels including the end of Civic Center Boulevard (Silverwing – residential/green space); the 8.29 acre site behind the Post Office (GE Capital – commercial); Southern waterfront restaurant/mixed use (Pritchard, Jenkins, et. al.) The Agency is likewise working closely with the new owners of the Marina Shopping Center, and continues to seek out partners to help with blight removal, land assemblage and the like.

**Section B – Budget Overview** provides an Executive Summary of the FY 2007-08 Annual Budget with an emphasis on the General Fund and Redevelopment Agency. A comprehensive summary of revenue and expenditure trends is presented, as well as a summary of major service refinements to the departmental operating budgets.

With the focus on such an exciting future, it would be remiss to overlook the significant accomplishments of the past year. Highlights include:

- Expansion of major development projects from two (Main Street West and Gentry/Trumark annexation) to eight with new projects including the waterfront hotel, Wal-Mart, 8.29 acre site behind the Post Office, southern waterfront mixed use/restaurant, end of Civic Center Boulevard and the Marina Shopping Center.
- Implementation of 24/7 in-house patrol and public safety dispatch (the impacts for our community have been tremendous!)

- Supporting the above, crime-fighting tools enhanced to include, among others, use of dedicated gang unit, geo-profiling, crime mapping, re-establishment of canine unit, and Columbine-type field response training.
- Increased oversight, communication and outreach involving our Maintenance Assessment Districts (MADs) to better understand, monitor and track service level standards associated with assessments. Efforts will continue into the new year with an emphasis on contract performance.
- Many groundbreakings including Main Street West, the new Suisun City library, Cottonwood Creek Apartments, and Sheldon Plaza (soon to be a grand opening!)
- Many dedications and grand openings including the Lighthouse, Lawler Ranch Park, the entertainment boat and many new business openings: Suisun City Seafood Center, Joy of Eating Café, Main Street Bar & Grill, Suisun Ink, and Stoneyard Masonry.
- Recruitment, hiring and/or promotion of 20 new faces to join our team including, at the executive management level, Police Chief Ed Dadisho, Community Development Director Heather McCollister, Public Works Director/City Engineer Fernando Bravo, and Financial Service Manager Mark Joseph.

This brief summation of the accomplishments of the past year barely does justice to the efforts of our Team. I encourage you to all delve into the individual departmental budgets (**Section C**), where staff has identified departmental accomplishments and goals, as well as the specific departmental/division work program for the coming year.

The last area of the budget document that I want to draw your attention to is the new **Capital Improvement Plan (CIP) Section**. This critical element of any work program/ budget document has been in the works for many years. With the specific efforts of Fernando Bravo and Alysa Majer (along with engineering and finance staff support), we are in a better position to begin wading through the capital infrastructure priorities that must be made for our community.

Significant capital projects that have been incorporated into the FY 2007-08 work program include:

- Enhanced street maintenance and repair program.
- Chipman overlay (SSWA).
- Petersen Road improvements from Walters Road to the southern entrance to Travis (multi-agency effort).
- City-wide street sign replacements (workforce housing grant).
- Marina and north bay dredging (assessments).
- Rehab of flood control channels (multi-agency effort).
- McCoy Creek Bikeway Phase I (grants).
- Planning for Fire Station #2/Ladder Truck (new development trigger).
- Waterfront promenade safety improvements (workforce housing grant)
- City hall generator (facility funds).

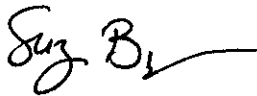
In closing, special thanks to Ron Anderson, Assistant City Manager/Administrative Services Director, and Mark Joseph, Financial Services Manager, for taking the lead on pulling this year's budget together. Other staff members that warrant special thanks and appreciation include Elizabeth Luna, Alysa Majer, Herb Lester, Donna Pock, and Anita Alvarez.

Although not obvious to the reader of this huge document, we are moving closer and closer to a more fully automated budget system that will ultimately be linked into MOM (our accounting software program). The fact that last minute adjustments were being made to the numbers as of just last week, illustrates the value of automated and linked programs (something we have not had the luxury of in the past!) There is still much more work to be done in this arena, with the goal that *next year's budget* will see the end of significant changes and refinements to the budget process and the document itself.

I also want to thank our Management Team Members and their staffs. Given the financial constraints that we work under, we all understand that we still have a significant distance to travel before we are able to provide the highest level of service that we know we are capable of providing. But regardless, it is refreshing to work with a team that understands the big picture and is willing to be patient in addressing pent-up demands and needs until the City's financial position stabilizes and solidifies. As I have said before and on multiple occasions: "Staff gets it." I continue to be personally honored to be a part of this organization.

We look forward to your review and consideration of this budget.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Suz B.", with a long horizontal flourish extending to the right.

Suzanne Bragdon  
City Manager