

To: Mayor and City Council
From: Communications & Marketing Manager Lauren Sugayan (Project Lead)
Assistant to the City Manager Sharon Petrehn
Subject: An Environmental Scan Analysis of the City of Union City

EXECUTIVE SUMMARY

This environmental scan of the City of Union City provides an overview of current and anticipated factors that will impact both the community and the city organization. Identifying potential internal and external factors will help the City to be more prepared over the next five years to address issues and achieve the City's strategic priorities.

DISCUSSION

In support of the strategic planning process, the following environmental scan will help to educate the City Council about how the City looks today from a high-level overhead view, along with current and forecasted issues. This discussion is organized into high-level categories and overarching themes that describe issues impacting the community today and into the near future.

GENERAL POPULATION

The draft General Plan states that since 1990, Union City population has increased 32.7 percent, The City's population is consistently growing at about one percent annually. This population growth reflects similarly to Alameda County, which experienced a 0.8% increase from the year prior. Current population estimates by the American Community Survey are:

- California Population – 38,982,847
- Alameda County – 1, 629,615
- Union City - 74, 354

AN EXPANDING AGING POPULATION

Between 2000 and 2010, Union City grew older, with an increasing percentage of residents over age 45 and a decreasing percentage of residents younger than 45. In 2020, Alameda County, as a whole, will be home to more than 260,000 adults over the age of 65. The shift in Union City and Alameda County of an increasing senior population requires acknowledgement and thoughtful planning of changes to services and public policy. Per the Alameda County Plan for Older Adults for 2017-2020, the County's senior population is most challenged by economic insecurity.

The Alameda County Agency on Aging provides county-wide plans and organizes social services to seniors that include adult day care, case management, home-delivered meals, congregate meals, legal assistance, elder abuse help, information and assistance, family caregiver support, senior employment services, friendly visiting, health promotion, senior center activities, disease prevention, SNAP Ed/community garden, Ombudsman and senior injury prevention.

As of 2018, 123 couples and 565 individuals are members of Union City's Ralph and Mary Ruggeri Senior Center; 65% of the memberships are Union City residents. The Senior Center provides classes that include computer technology, dance, exercise and fall prevention. In addition, in 2018-2019, the City granted \$245,000 of General Fund money and \$80,000 of Community Development Block Grant money through a competitive grant process to various social service providers, which included some services for older adults.

RACE & ETHNICITY

Union City is more ethnically diverse than Alameda County and California, which is worth acknowledgement since Alameda County is the fourth most diverse county in the United States. The race breakdown is as follows:

Hispanic/Latino

State – 15,105,860

Alameda County – 367,041

Union City – 15,542

White

State – 14,777,594

Alameda County – 524,881

Union City – 11,498

Black

State – 2,161,459

Alameda County – 175,063

Union City – 3,673

American Indian or Alaska Native

State – 137,813

Alameda County – 5,008

Union City – 239

Asian

State – 5,427,928

Alameda County – 468,356

Union City – 39,404

Native Hawaiian and other Pacific Islander

State – 138,283

Alameda County – 13,000

Union City – 1,136

Other Race

State – 93,746

Alameda County – 4,489

Union City - 120

Two or More Races

State – 1,140,164

Alameda County – 71,777

Union City – 2,742

In addition, Union City has a significant immigrant-born and bilingual population taking into account that:

- 35% of Union City residents are bilingual compared with 38% of the County’s residents;
- 33% of the County residents are foreign-born compared with 42% of Union City residents.

Per the Pew Research Center, the Country’s percentage of foreign-born residents was 13.4%. Spanish is the County’s most common non-English language, but the use of Spanish in individual households is on the decline overall, which could be an emerging trend in the State and locally.

Today and in previous years, the City has not committed significant financial resources and efforts to carry out multi-lingual communication, other than in cases where it is legally required or when associated with a robust public outreach process. In the future, the City should consider a comprehensive multi-lingual communications plan to better serve residents.

COMMUNITY VALUES & CITY GOVERNMENT

In May 2017, the City Council adopted a resolution declaring Union City a “Compassionate City” to make a stance against federal immigration policy and to convey to the City’s foreign-born community that the City would not engage with or support immigration enforcement by the Immigration and Customs Enforcement (ICE). The resolution also aims to reinforce the City’s practice to recognize and preserve its diversity and

maintain practices of inclusion and access as it relates to delivering city services. The resolution stems from a grassroots, community-driven process led by the Human Relations Commission. The Human Relations Commission appointed a subcommittee in March 2019 to revisit the resolution (two years old) and the program to update it.

Union City has one of the most ethnically diverse city councils in the area and has a female majority. In addition, the City's Boards and Commissions have representation from residents of all backgrounds and identities. It is important in a diverse community, such as Union City, to maintain this type of representation on City Council, Boards and Commissions because it builds the community's confidence in decision-making at the policy-level.

Despite all of this, the City was sent a demand letter in March 2019 from the Mexican American Defense and Legal Fund alleging a violation of the California Voting Rights Act and demanding that the City move from at-large elections to by-district elections for the City Council. The claim was that the at-large election system dilutes the ability for Latino voters to elect candidates of their choice. To avoid a legal challenge, the City Council voted on a resolution in April 2019 declaring intent to transition to by-District elections.

Establishing a by-district election system would change the method of voting by physically dividing the City into separate districts, with each district represented by one councilmember who resides in that district and that is selected only by voters of that district. The Mayor's seat will still remain at-large. The first by-district election will take place in November 2020.

RESIDENT WORKFORCE

In the April 2019 U.S. Bureau of Labor Statistics report, the Country's unemployment rate is at 4.1% in comparison to the County's unemployment rate at 3.1%. Professional and business services, trade, transportation and utilities and education and health services and government are the main areas of employment in the San Francisco Bay Area.

More than 46% of Union City's population has a college degree, and 54.4% are employed in management, professional, technical and scientific occupations. A significant majority of Union City residents commute out of Union City for better paying jobs, as 59% of local jobs pay less than \$40,000 per year, which is not a living wage in the area.

The draft General Plan, in alignment with the City's Economic Development Strategic Plan, contains goals to attract businesses that diversify the local economy and provide high-paying jobs for Union City residents and support the transformation of the City's underutilized industrial parks into more job-intensive areas.

The draft General Plan also supports job training and education programs to prepare Union City residents for high quality jobs with the following policies:

- The City shall connect employers to workforce development partner organizations.
- The City shall support efforts by the New Haven Unified School District, outside agencies, and educational institutions to train residents and provide students the skills and training needed to support the local business sector and to work in emerging employment sectors.

CITY ORGANIZATION WORKFORCE

Currently, the City has 234 full-time employees, 78 part-time employees and 15 vacancies.

The City currently has a significant staffing shortage, which has created stress and anxiety for city employees who are tasked with carrying an overwhelming workload. A common sentiment is that the City organization has not expanded sufficiently to serve a growing population. It has commonly been expressed year after year that City employees "do more with less"; however, that categorization has created lasting low employee morale and an exodus of knowledgeable, talented employees who can find work in neighboring

jurisdictions for better pay and working conditions. Senior and Mid-managers who have been with the city organization commonly agree that staffing shortages is one of Union City's biggest challenges it faces in the near future.

The City's recently drafted Organizational Management Audit validated that City staffing levels are lower than comparable agencies. The draft report indicates:

Comparative research with seven peer agencies indicates that Union City's staffing level of 42.8 full-time employees per 10,000 residents is 14% lower than the peer average of 49.7 FTEs per 10,000 residents. A contributing factor to this lower staffing level is that Union City's General Fund per capita revenues are nearly 30% lower than the peer agencies, which means there are fewer financial resources to provide services to the community.

The draft report finds that the City is losing knowledgeable staff to other communities and is not providing sufficient professional development opportunities. The draft report indicates:

Retaining well trained, competent employees is a priority for any organization, particularly in today's environment of low unemployment and difficulty recruiting quality candidates. Competitive compensation and professional growth opportunities are the highest priorities for the City to retain its skilled workforce. Management Partners completed a "snapshot" compensation review, which showed that compensation levels for selected positions are 5% to 15% below other peer agencies. An organization-wide compensation study should be completed to understand where the City stands in relation to other agencies with which they are competing for employees, and the fiscal impacts. A citywide training curriculum needs to be implemented to enhance the skills of the workforce and to provide the skills necessary for employees to compete for promotional opportunities in Union City as they arise in the future. This needs to be funded and addressed as a priority.

The draft report finds that the organization lacks sufficient succession planning to proactively address anticipated turnover, and institutional knowledge is lost as people retire. The draft report indicates:

Over 30% of the City's workforce is eligible to retire today. Many of those eligible are in key leadership or supervisory positions. A comprehensive citywide succession plan needs to be developed to identify opportunities to grow people from within and/or strategies for quickly filling future vacancies. A succession plan would also include capturing institutional knowledge by documenting processes and procedures.

One of the top recommendations of the draft report is the need to sustain the employee workforce through:

- *Conducting a citywide compensation survey*
- *Creating a comprehensive professional development program*
- *Filling vacant leadership positions*

It is important that the City Council consider prioritizing the recommendations identified in this draft report in the strategic planning process.

An area not identified in the draft management audit is the development of diversity and inclusion practices within the City organization. To be able to recruit, retain, and engage top talent, a commitment to a diverse, inclusive and equitable workforce is sought. The draft report does not directly speak to the benefits of a diversity and equity program and a diversity statement. Diversity is defined as the various differences among people in relation to protected classes, personality types, and experiences. Inclusion is empowering people to feel welcome and involved through acknowledgement. Research from Glassdoor indicated that 67% of candidates want to join diverse team and 57% of employees want diversity to be a priority for their organization.

Most importantly, the City is currently in the process of recruiting and hiring a new city manager. The City's current city manager, Tony Acosta, will be retiring on June 30, 2019. The incoming city manager will be tasked with the implementation of the soon-to-be-finalized organizational management audit and the City's soon-to-be-developed five-year strategic plan. It is recommended that the City Council work with the new city manager to ensure accountability in the implementation of these plans and for the achievement of city goals.

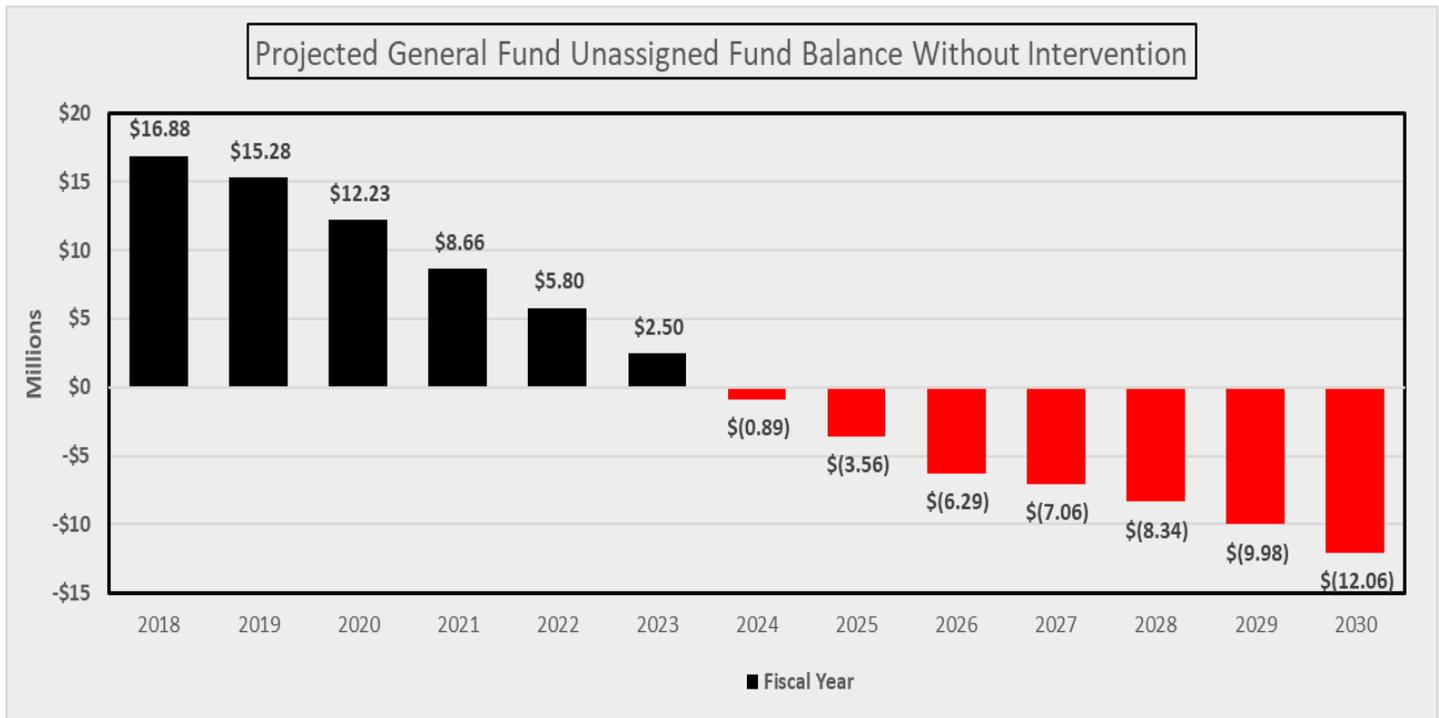
CITY FINANCES

Union City continues to be fiscally-challenged with the lowest General Fund revenue per person in the County. The City's General Fund is used for staff, supplies and services as the City Council determines based on the City's priorities. The City's financial health is being impacted by slowing revenues and accelerating expenditures, which has created an ongoing structural General Fund deficit.

Current General Fund Five-Year Revenue and Expenditure Projections

	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24
Revenues	\$ 57,799	\$ 59,667	\$ 61,974	\$ 62,937	\$ 64,019
Expenditures	60,849	63,236	64,827	66,241	67,411
Net	\$ (3,050)	\$ (3,569)	\$ (2,853)	\$ (3,304)	\$ (3,392)

Current projected ten year General Fund Unassigned Fund Balance without intervention:



Unfunded liabilities were estimated at \$80.95 million (PERS) and \$8.29 million (OPEB). The sustained annual PERS cost with expected increases estimated at about \$600,000 for the foreseeable future. The City can anticipate increases in OPEB liability in the future as we have to pay the City's share of Alameda County Fire Department's \$100+ million unfunded OPEB liability. The City has been depositing funds into an irrevocable trust (PARS) to address OPEB and PERS liabilities. In 2015, the City Council adopted a policy

mandating that 50% of any future General Fund surplus be used to pay down unfunded pension and/or OPEB unfunded liabilities.

The City Council also adopted a policy in 2015 to maintain the City's reserves at 20%, or at least two and a half months of operating costs. The City has been diligent at maintaining its reserves and is currently anticipating a reserve fund of \$15.2 million by June 30, 2019, which is 5% higher than the City Council policy of 20%. The City also has roughly \$2 million in excess reserves in self-insured liability funds. The City Council may consider using some reserve funds to help balance the City budget for the 2019/2020 & 2020/2021 Biennial Budget.

In addition, a Fiscal Stability Committee was established in March 2018 to further examine the City's finances. The Committee recommended four fiscal guiding principles to be put in place (to which the City Council adopted):

- The long term fiscal health of the City must embody decision making at all levels
- Competitive compensation packages are the foundation of a strong workforce
- Benefit packages should be equitable, regardless of classification or position
- Regular 3rd party management audits of city operations

Staff recommends that these principles be re-evaluated in future fiscal planning processes.

The Fiscal Stability Committee also recommended the City commission a fire services audit and an organizational management audit, both with the goal of considering cost-efficiency improvements within the organization. The findings of these report will be released to the public this summer.

The looming financial issues that the City must plan for include:

- Fire equipment
- Facility Maintenance
- IT Capital Demands
- Potential recessionary pressures
- CalPERS increases
- Employee contracts
- Renewal of the Public Safety Parcel Tax (\$4.1 million in annual tax revenue)

Revenue Generation

Union City is challenged in the area of generating new city revenues. When the 2018/2019 & 2019/2020 Biennial Budget was adopted, the City Council considered short term solutions to identify new revenues for the City.

A Charter City Measure with an enhanced Real Property Tax was turned down by voters in November 2018. The measure would have brought in an addition \$5 million in new revenue, which would have significantly changed the long term fiscal outlook of the City. Charter City measures can only be placed on a General Election ballot; therefore, the next opportunity to consider placing another measure of this kind would be in November 2020.

A Cannabis Business Tax was approved by voters in November 2018. The City estimates it will receive \$1.4 million in new revenue once all 12 cannabis permits become fully operational. At present, five commercial cannabis permits held by two companies have been approved by the City Council. Two public hearings to consider declaring intent to award six more permits held by two additional companies is taking place on May 14, 2019.

There are some larger projects that are going through the development review process that, if approved, have the potential to result in payment of application fees and increased property tax revenue beginning in Fiscal Year 2023-24.

CITY PLANNING

Since 2008, the Economic and Community Development Department (ECD) has lost six full-time employees in the areas of redevelopment, special projects, economic development and code enforcement. There are four current positions vacant and under recruitment in ECD including Building Official, Building Inspector and Senior Planner. The main causes of employee turnover are (1) retirement, (2) work conditions/workload and (3) lack of competitive employee compensation.

Staffing shortages and turnover significantly slow down the advancement of major planning processes, which include completing the General Plan, updating key plans listed below, planning for the Census 2020 and working with partner agencies on external local initiatives, such as Alameda County Water District's Advanced Metering project.

There are several city plans that guide budget priorities and decision-making, which include:

- General Plan (soon-to-be-adopted in 2019)
- Capital Improvement Plan
- Economic Development Strategic Plan
- DIPSA Specific Plan
- Housing Element (State mandated)
- Climate Action Plan
- Pedestrian and Bicycle Master Plan
- Union City Police Department Strategic Plan
- Park and Recreation Master Plan
- Local Hazard Mitigation Plan (for emergency preparedness and required for any state/federal reimbursement for costs incurred by the City during an emergency)

The City will need to update several of the plans listed above to address a variety of factors including: compliance with State law; eligibility for grant funding; plan expiration; and changes in policy and background conditions since last update. Although the City has been fortunate to receive grant funding for a few of the plan updates, these projects are generally costly and require dedicated staff.

Alignment with the priorities listed in the City's Five-Year Strategic Plan is critical to ensure that there are adequate resources and staffing to complete the plan updates. In addition, each plan identified above can benefit from routine tracking and reporting procedures, routine assessments on process and plan improvements and overall alignment with the City's Five-Year Strategic Plan.

HOUSING

The Union City Housing Element was adopted in 2015 with the goal of identifying the community's housing needs and create goals and objectives with regard to housing production, rehabilitation, and conservation to meet those needs.

As of 2018, per the California Department of Finance, there are currently 21,501 housing units in Union City, which compares with the County's 602,047 housing units.

In terms of household data, Union City has a far higher percentage of owner-occupied households than either the State or Alameda County, which suggests a more stable and permanent community. Union City's homeownership rate in 2012 was 68.2 percent, while statewide it is 56.0 percent, and countywide homeownership is at 53.7 percent. Union City tends to have larger households, with an average household

size of 3.46 persons (compared to the 2.77 County average and the 2.94 State average), and fewer one-person households. Union City also has fewer single-parent households with only seven percent of households with children under 18 versus eight and a half percent for the County and over nine percent for the State. This lower number of single-parent families is particularly remarkable in that the Union City has a higher percentage of family households than either the County or the State.

Per the Union City Housing Displacement Report, strong employment growth coupled with lack of housing production is changing the income profile of households in communities like Union City, which are experiencing increased displacement pressures for lower-income households, particularly for extremely-low and very-low income family households. While the number of households in Union City has grown since 2010, the percentage and number of households who made less than \$75,000 in 2010 has declined. In 2010, households that made less than \$75,000 made up 48% of all households in the Union City. In 2017, that percentage is only 31%, indicating that displacement may have been occurring.

The Regional Housing Need Allocation (RHNA) is the State-mandated process to identify total number of housing units (by affordability level) that each jurisdiction must accommodate in its Housing Element. In this Housing Element cycle (2015-2023), Union City is tasked with meeting the RHNA requirement to accommodate 581 lower-income units and 609 moderate and above-moderate income units. The City has had some success meeting its moderate and above-moderate need but less so with the lower-income units.

Development of affordable housing typically requires some level of subsidy from local jurisdictions. The City is currently partnering with MidPen Housing to build 81 low, very-low, and extremely-low income units on a City-owned property located at Mission Boulevard, D Street and E Street. However, there are no other City-owned properties available for partnerships with affordable housing developers to construct an additional 500 units of lower-income housing. Market-rate developers are expected to continue to provide above-moderate income units. While the City has a conforming Housing Element today, there are limited opportunities for significant housing development without up-zoning (densifying) existing residential properties or converting industrial and commercial lands to residential. The City will bear much of the costs for the planning efforts needed to identify appropriate properties, environmentally clear, and rezone the lands for housing.

As mentioned, housing production has not kept pace with the demand for affordable housing for lower income households. Currently 63% of lower-income, renter households are cost-burdened, meaning they pay more than 35% of their income on housing costs. In addition, of these households that are cost-burdened 26% are considered extremely cost-burdened, meaning they pay more than 50% of their income on housing costs. This is likely due to the fact that housing prices and apartment rents have increased rapidly throughout the region, while wages of residents have not kept the pace.

In 2016, Union City attempted to address the issue of rising rents through consideration of renter-protection ordinances. After a year of community outreach and policy vetting, the Eviction Protection Ordinance and Rent Review Ordinance were adopted in 2017 to protect against unjust evictions and create a mediation process (nonbinding) for rent increases over seven percent. A one-year evaluation of the ordinances have showed that landlords are generally keeping rent increases below or at seven percent, which may indicate that the ordinance has been successful, though there have been 15 requests for rent mediation in the past 13 months with varying degrees of success. The rental market is also showing signs of leveling which may also contribute to and the lack of demand for rent review. The City is working on expanding and improving its outreach measures to landlords and tenants about the ordinances.

Lastly, housing construction is not an immediate solution to the housing crisis. Housing construction is a multi-year process from concept, through approvals, and construction. In today's 'hot' market, labor and material costs have escalated so quickly that approved projects can no longer be financed. Union City competes with construction demands on the Peninsula (from the tech boom) and with Northern California (from the

devastating fires). Over 400 units of housing have been approved in the Station District but cannot be built because construction cost escalations have made the project infeasible. In response to the housing crisis, the State is rapidly changing laws by limiting local control and local regulation in order to expedite housing construction. The impact of these changes are less oversight by the City and limited opportunity for the public to provide feedback on new housing projects.

ECONOMIC DEVELOPMENT

The Economic Development Strategic Plan was adopted by the City Council in January 2015 and has served as a tool to direct limited staff resources in the area of economic development. The Economic Development Advisory Team has provided staff with input on the re-prioritization of strategies on an as needed basis. The development of the Economic Element of the General Plan has allowed for the refinement of strategies in response to shifting market conditions.

In support of this report, staff has identified challenges and opportunities that are most important in the next five years.

Challenges

- There is limited land available for commercial and industrial development and it is a goal of the City's to preserve economic development lands.
- Shifts in retail trends, including retailers downsizing, contributes to underutilized space and vacancies; landlords are backfilling space with non- or quasi-retail uses resulting in a likely reduction in sales tax revenues.
- The local economy provides low paying jobs to people that cannot afford to live in Union City; likewise, the City lacks executive housing.
- The City lacks the ability to accommodate the expansion needs of current business.
- The demand for housing threaten the preservation of industrial land, which could result in a loss of jobs and business-to-business transactions.
- Limited staff resources impacts business retention efforts.
- Maintaining Union City's visibility on the regional stage requires concerted effort; limited staff resources makes it challenging to promote the city as a business location of choice and access to regional, state and federal resources

Opportunities

- Support the transformation of industrial space including opportunities for intensification of underutilized and/or obsolete buildings to support economic development goals.
- Address the changing retail landscape to benefit long-term fiscal sustainability.
- In collaboration with shopping center owners, look for opportunities to renovate aging centers, respond to retail trends and explore opportunities for intensification, which complements and supports a strong retail base.
- Develop a policy limiting conversion of industrial lands to residential uses.
- Plan for infrastructure improvements and smart city initiatives that attract and retain businesses.
- Connect employers to workforce providers and build partnerships that supports development of the workforce of the future
- Continued City Council support for economic development.

RECYCLING AND SOLID WASTE

The City's recycling and solid waste program is staffed by a Manager and a Coordinator whom are tasked with the following responsibilities:

- To provide timely, reliable and high-quality collection services for recycling and solid waste.
- To ensure city compliance with local, regional and State mandates.
- To carry out commercial and City composting initiatives.
- To provide comprehensive public education and technical assistance with the program.

Accomplishing the State mandate to generate Zero Waste will require:

- Enhanced regulation and public education to address stricter State requirements for composting commercial and residential generated organics.
- Addressing the challenge of low resale values of recycling products and changes in commodities markets.
- Structuring residential and commercial collection rates and City fees to finance recycling.
- Managing solid waste and recycling franchise agreements to implement zero waste generation policies.

The City Council will need to consider prioritizing city resources appropriately to address the future challenges associated with recycling and solid waste.

SOCIAL SERVICES

The City carried out a public services needs assessment and funding strategy in 2016 to assess the efficacy of service providers meeting the needs of the community. In addition to the major findings, an interview with the Housing and Community Development Manager yielded the following challenges with providing social services to a culturally diverse and aging community:

- Cultural and language barriers, especially in the Asian population, makes it hard for residents to find services and for service providers to communicate their services to those in need.
- The ability to fund social services can fluctuate based on the City's financial stability and availability of federal and state resources.
- There is a lack of coordination among social service providers, which is creating problems with duplication of services and gaps in services.
- The City also has seen some instances of Mission Drift where social service providers pursue new funding sources that require them to regularly revamp or change their mission. This often leads to mismatched services where the provider doesn't have the experience or capacity to adequately handle the new funding which in turn results in reduced quality, quantity, and efficiency of services.
- The City lacks the resources to facilitate better organization and coordination among social service providers.

Among the most common area of concern among social service providers is affordable housing.

The City's Youth and Family Services Division provides a cluster of services designed to help youth and their families eliminate barriers, including outreach, case management, counseling, employment services and crisis response. The program was implemented in 2008 after voters approved funding for gang violence prevention and intervention through Measure UU, a public safety parcel tax. The voters again approved the renewal of this public safety tax, Measure QQ, in 2016, for a four-year term. The City will need to consider renewal of the public safety parcel tax this coming October in order to maintain Youth and Family Services.

The recently drafted organizational management audit proposed the recommendation to reduce the General Fund subsidy of the City's Youth and Family Services through obtaining services for residents through partnerships with non-profit organizations and/or other government agencies.

It is worth noting that the County's Vision 2026 establishes a robust strategic plan that aims to address homelessness, provide employment services, and eliminate poverty and hunger, among other priorities.

Combined, Health Care Services, Public Assistance, and Public Protection accounts for over 85% of the County's General Fund.

The City Council will need to consider its future approach to increasing alignment with the County on social services and considering its approach to coordinating, funding and providing social services in the strategic planning process.

HOMELESSNESS

The Board of Supervisors, in February 2018, formalized the County Homelessness Council as the single County leadership body to accelerate progress toward the Vision 2026 10X Goal of eliminating homelessness. To date, the Board of Supervisors has approved proactive measures including a 3-year \$340 million Homelessness Action Plan (including \$90 million in new one-time funding), a 3-year Unincorporated Area Homelessness Action Plan, a Shelter Crisis Declaration and Emergency Housing Ordinance, and applications for new one-time State funding.

There are 5,629 homeless people in Alameda County and Union City had an estimated 40 unsheltered homeless in the 2017 count. Since Union City does not have any emergency shelters or transitional housing units, the City does not have any sheltered homeless. The number of people experiencing homelessness jumped 40% between 2015 and 2017 in the County. Methodologies are getting better in counting homeless; however, Alameda County is one of the country's fifty "hardest-to-count" counties in the country. A trend throughout the County is the rate of individuals and families that sleep in their cars as a living accommodation. Almost 50% of the County's unsheltered population currently reside in Oakland. The 2019 Point in Time Homeless count is estimated to be released this summer, which will provide updated data on the number of homeless in Union City.

In response to a reported number of students and families of the New Haven Unified School District living in vehicles, Union City launched the CAREEvan program in collaboration with the Union City Family Center and local community and faith based organizations to provide families and/or individuals who have been displaced and are temporarily homeless. The program rotates between several city and church-owned parking lots to provide homeless families and individuals a safe place to park at night with access to restrooms and other safety net services.

To date, 283 homeless people have registered (198 adults and 85 children) for CAREEvan since its inception in June 2016. Individuals and families registered come from the cities of Antioch, Dublin, Fremont, Hayward, Livermore, Newark, Oakland, San Bruno, San Leandro, Stockton and Union City. The CAREEvan program's current session (January 1, 2019 - Present) is averaging between 18-22 vehicles per night. This is 28-35 individuals per night.

The City contributes approximately \$85,000 per year to cover the CAREEvan overnight facility attendant costs. The City will be receiving \$204,990 in one-time State Homeless Emergency Aid Program (HEAP) funding. The City plans to use the HEAP funding to pay for extra facility attendants and to provide additional services, such as a mobile hygiene unit, to CAREEvan participants. The City of San Leandro has also agreed to contribute \$20,000 of its HEAP allocation to further support the CAREEvan program. Additionally, the City received a \$25,000 grant from Alameda County to provide part-time case management services to CAREEvan participants.

The County and cities up and down the State are implementing similar programs to serve the homeless living in their cars, including San Jose, San Diego and several East Bay communities. There is a new State bill currently proposed that will require colleges to allow their students to sleep overnight in their cars in campus parking lots.

Recently, the City Council requested the City to develop a homeless strategy. Union City Police, Public Works, Community and Recreation Services, and Economic and Community Development's Housing

Division and Code Enforcement, City Attorney, and the City Manager's Office all respond to homeless issues. The City recently formed a Homeless Working Group composed of representatives from each of these departments to coordinate the approach to homelessness.

There is currently no method of centrally tracking homeless complaints, the actions taken by various departments responding to the complaint, the coordination of service referrals to homeless individuals, and the outcomes of these actions (i.e. homeless individual receives housing and basic needs services). A consistent model used in neighboring cities is the hiring of a homeless coordinator, the use of dedicated police officers for homeless outreach, and funding homeless providers to provide shelter and outreach services.

The City Council will need to consider whether the City should prioritize this issue and if so, determine where the financial and staffing resources will come from to develop a strategy and implement resolutions to address homelessness. Alignment with the County and social service providers is key to developing a strategy and sharing resources.

INFRASTRUCTURE & OPEN SPACE

Union City has 129 miles of roadway and proudly boasts the second best pavement condition in Alameda County (behind the City of Dublin). The City maintains 69 traffic signals and 4,100 street lights through contracted services. City engineers are currently considering and testing smart technologies, such as adaptive traffic signals, to better improve the flow of traffic through the city.

The City has been able to maintain a high pavement condition index in the County due to the City Council's investment in local roadways and funds from Alameda County Measures B and BB. However, Union City is a pass-through route for commuters getting to and from their jobs every day. There are additionally about 31,252 Union City residents that commute outside of the City to work, which adds to the local and regional congestion. One million additional trips are anticipated on Bay Area roads by 2040. Recent updates to the General Plan's Mobility Element works to address growing challenges in this area and emphasizes the need to link transit-rich areas to adjacent neighborhoods, shopping districts, and employment centers with a multi-modal transportation planning approach in order to create a well-integrated system of mobility in Union City.

Nuts and bolts management of infrastructure and open space has major challenges ahead. Current and anticipated vacancies include three vacancies in Grounds (parks); three vacancies in Streets; two vacancies in Fleet and one vacancy in Facilities. When fully staffed, there are 39 positions in Public Works, but there are only 31 of those positions staffed. The increased workload on Public Works employees due to staffing shortages has resulted in low employee morale (consistent with the entire City organization) and can run the risk of increased injuries. In addition, today, seven out of 31 currently staffed positions are eligible for retirement. Succession planning and staff development is critical to planning for these retirements.

The City has not sufficiently planned on how to address increasing maintenance needs of City green space and facilities. In the capital improvement process, it is recommended that the City do consider thoughtfully how new projects and initiatives, while good for public benefit, can create long-lasting maintenance issues.

TECHNOLOGY

Over the years, Union City has not invested in information technology (IT) improvements and as a result, the City is behind the pace of other cities who have made work processes more efficient with technology and are attracting new businesses due to smart city initiatives. The IT team under a new Manager has conducted a comprehensive IT evaluation and created a multi-year plan to perform significant upgrades to the IT infrastructure that include:

- Stabilization of IT foundation services

- Implementation of cyber security protections
- Digitize current city work processes
- Establish citywide connectivity for Smart City initiatives

Operationally, IT supports the city network, servers, applications, end user devices, building security, AV, GIS, and web administration. The 2018/19 focus of IT has been to stabilize the IT foundation services of protecting city data, enhancing connectivity, security, identity management, infrastructure monitoring, and training. Over 17 major milestones have been achieved in this effort and the team is now looking to move selective services to the cloud to further secure and enhance office services like email and collaboration tools.

A major threat being faced by municipalities is cyber-attacks like phishing and ransomware. Ransomware detections are up 500% over this time last year. The FBI's Internet Crime Complaint Center (IC3) Report for 2018 shows Internet-enabled theft, fraud, and exploitation were responsible for a staggering \$2.7 billion in financial losses. California had the highest numbers of victims in the country and was a top ten state for financial loss. IT is working to secure the current infrastructure and implement an end user training campaign to inform employees of their responsibility in securing the Union City network and how to spot increasingly complex attacks.

As noted in the Management Audit Report, many of the departments are lacking effective software to automate and track workflow processes. Software solutions can reduce and automate manual task, provide instant visibility into the status of customer request, provide real data on how groups are doing and what can be done to become more efficient. To design and implement these new software solutions, employee time and financial investment will be needed to document current processes, map these processes to the selected software, train individuals on the new software and create operational models of continued support. It is common for software roll outs to take 3 – 6 months from inception to production use.

A key initiative for many cities is to enable "Smart City" services. These services allow municipalities to leverage Internet of Things (IoT) sensors to collect data over communication technologies. This data can be used to increase operational efficiencies, monitor traffic, gather data for crime prevention and help leaders make better data based decisions. A requirement of this service and a 2019/2020 goal of IT is to design and implement city wide connectivity. The connectivity will be focused on IoT devices on traffic lights.

The employee count of the Information Technology group has remained stagnant over the last decade even though technology has become a critical component of city services. Current IT staffing levels allow for one system engineer to be focused on new technology deployments, while the remaining two are focused on administering and keeping the existing systems running. A list of priority deployments will be needed to focus resources and determine if additional resources can and should be pulled in.

PUBLIC SAFETY

Police

The Union City Police Department (UCPD) developed a five-year strategic plan in 2015 The UCPD Strategic Plan that identifies 46 strategies as a roadmap to building strong relationships with the community and achieving high professional standards in policing. UCPD has now completed 31 of those strategies, which include stronger communication to the public with the use of social media, homeless outreach, and the development of a master training program. Areas of focus next include completing standard operating procedures for both divisions, updating a succession plan for employee growth and development, and implementing a wellness program to focus on employee total body health: fitness, nutrition, medical, and emotional.

Yet, as UCPD strives to plan for the future and enhance their professional standards, the organization is plagued by staffing issues much like the rest of the City organization. In 2000, the UCPD had 81 police

officers to serve a population of 67,200; today, 19 years later, there are only 77 police officers to serve an increased population of 72,991. The reduced staffing levels hampers the UCPD's ability to maintain public safety, creates strains on use of public safety resources and adds stress to police officers.

UCPD does not have a built-in vacancy rate. Vacancy rate is defined as positions that are funded, but are not available for various reasons. Over the last 5 years, UCPD has had an average vacancy rate of about 12% or 9 sworn positions. This results in an actual staffing rate of about 68. Here are a few reasons for funded vacancies:

1. Officers not passing the academy or probation.
2. Officers transferring to other departments.
3. Officers being injured on or off duty.
4. Officers being on military leave or FMLA.
5. Officers retiring.

Crime Trends

Significant Increases:

- Part 1 Violent Crime increased about 10% in 2018 compared to 2017
- Part 1 Property Crime increased about 8% 2018 compared to 2017
- Burglary increased about 28% in 2018 versus 2017
- Auto Burglaries at Union Landing increased about 24% in 2018 versus 2017

Significant Decreases:

- Auto thefts decreased about 26% in 2018 compared to 2017

Crime patterns fluctuate; however, there is a significant concern of the increase to violent and property crime in recent years being the beginning of future crime increases. A specific cause for this increase cannot be proven; however, many experts in the public safety profession attest crime increases to new legislation - Realignment: AB109, Reduced Penalties for Some Crimes: Prop 47, and Public Safety and Rehabilitation Act: Prop 57.

AB109

- In 2011, voters in California passed AB109 "Realignment." This law transfers responsibility for housing and supervision of some felons to counties. This pushed out low level offenders from custody, the "nons," non-serious, non-violent, non-sexual offenders. In addition, instead of receiving a one year return to prison for violations post release criminals frequently receive 10 days, "flash incarceration." Initially property crime was down but two years later violent and property crime began to increase. This was the beginning of Post Release Community Supervision (PRCS).

Prop 47

- In 2014, voters in California passed Prop 47 "Safe Neighborhoods and Schools Act." This law reduced penalties for non-violent, non-serious crimes to misdemeanors. Dangerous drug possession and thefts under \$950, which were felonies, all became misdemeanors. This decreased the number incarcerated in prison and increased the number held in county jail. Many low level offenders were pushed out of county jail. Drug treatment centers hit an all-time low as drug offenders were no longer feeling forced to plea to felony cases or be mandated to attend drug treatment facilities.

Prop 57

- In 2016, voters in California passed Prop 57 that allows for early release of felons from state prison and tougher rules to get juveniles charged as adults. This was referred to as the “Public Safety & Rehabilitation Act.” Ultimately, all nonviolent state prisoners, including “third strike offenders” are eligible for parole and unlimited conduct credit is now available for those incarcerated.

Fire

The Alameda County Fire Department provides “all risk” emergency services through a contract that includes fire, emergency medical services, rescue, hazardous materials response, and emergency preparedness. The cost of the Alameda County Fire Services contract is \$14.4M for FY 2019/2020 and \$15.2M for FY 2020/2021. Since FY 2010/2011, the contract has increased by 39.37%, which equates to increases of about 3.75% each year. In order to address rising costs, the City commissioned an independent fire services analysis in the fall of 2018 to examine the efficiency of the fire service model in Union City. A future report will be forthcoming to the City Council on the findings of the analysis. Continued assessment of the County’s fire service model and strategies to prevent increases or reduce the cost of fire services is important to the City’s long term fiscal sustainability.

EMERGENCY MANAGEMENT AND PLANNING

The City currently receives support on emergency preparedness services, such as training and consultation, from the Alameda County Fire Department (ACFD). ACFD has an Emergency Preparedness Manager that facilitates emergency operations center training for employees of client cities. In 2019, the City began to prioritize sending employees to these trainings. However, the training and consultation provided by the County is not sufficient and more professional development of city employees is critical.

The City does not currently have a dedicated position to cover emergency management and planning. However, an Emergency Management Work Group made up of the IT Manager, Communications & Marketing Manager and an Administrative Assistant have formed a charter and identified the City’s top challenges and priorities of today as it relates to preparing for and responding to emergencies, which include:

Challenges

- Lack incident command system training and deployment
- Lack policy and procedure on internal communication
- Lack funding for critical emergency management needs

Priorities

- Implementation of an internal and external emergency mass communication system, procedure and process.
- Vet and drive Emergency Incident Response Procedures.
- Implement and communicate the process for storing and accessing emergency preparedness and management documents for use during an emergency or critical incident.

PARTNER AGENCIES

The Alameda County Water District (ACWD) recently completed a strategic plan in 2018. ACWD has provided services to the Tri-City area for more than 100 years. Through their strategic planning process, ACWD is looking to accomplish the following:

- Make continued investments in infrastructure upgrades
 - Alvarado Niles Pipeline Seismic Improvements (summer 2019))
- Complete two fish ladders by 2021 to ensure water reliability for the future.
- Explore new water supply initiatives

- Bay Area Regional Reliability <http://www.bayareareliability.com/>
- Indirect potable reuse study working with USD and SFPUC)
- Implement a major Advanced Metering Infrastructure, which will include a web portal for customers to access near real-time data for enhanced customer service, leak detection and consumption data
- Coordinate efforts to carry out infrastructure upgrades during planned City Union City during construction project upgrades
- Coordinate efforts for emergency response and routine communication

The Union Sanitary District (USD) also responded to conveying their strategic priorities as the following:

- To evaluate any residential increases over and above what is projected to ensure adequate services are provided.
- To continue efforts to coordinate projects with the City to ensure for cost-reductions and reductions to impact on residents.
- USD has been training personnel to be emergency building inspectors in case of a disaster. Coordination with City of Union City would ensure for effective mutual response to incidences, such as utility issues that impact residents.

The New Haven Unified School District (NHUSD) includes 12 schools and serves approximately 12,194 students, who speak forty different primary languages– with no single majority racial/ethnic group. NHUSD is comprised of 93.2% students of color and 58.79% are identified as socio-economically disadvantaged. Approximately 11% of students have special needs, primarily specific learning disabilities, speech and language issues, and autism spectrum disorders. English Learner (EL) students make up about 24% of the student population. Their three areas of focus that they have identified in their Local Control Accountability Plan and Annual Update include:

- College, Career and Life Readiness
- Equity and Access
- Personalization and Engagement

In the next five years, the City, School District, Water District and Sanitary District should work to inform one another about agency goals, identify areas of collaboration and improve inter-agency responses to issues or events in Union City.

CONCLUSION

Staff encourages that the City Council carefully consider the contents of this environmental scan in support of the strategic planning process.

SOURCES

UC 2040 - Draft General Plan

California Department of Finance

Alameda County 2019 Legislative Platform

Alameda County Plan for Older Adults (FY 2016-2017)

U.S. Bureau of Labor Statistics

Union City Economic Development Strategic Plan (2015)

City of Union City 2018/2019 & 2019/2020 Biennial Budget

City of Union City Public Services Needs Assessment and Funding Strategy (2016)

Alameda County Water District Five-Year Strategic Plan (2018)

City of Union City Draft Organizational Management Audit (2019)

Local Control Accountability Plan and Annual Update (2018)