

MINUTES
GARDEN GROVE CITY COUNCIL
Special Meeting

Tuesday, June 3, 2021
Community Meeting Center
11300 Stanford Avenue, Garden Grove, CA 92840

CONVENE MEETING

At 6:42 p.m., Mayor Jones convened the meeting in the AB Room.

ROLL CALL PRESENT: (6) Mayor Jones, Council Members Brietigam,
O'Neill, D. Nguyen, Klopfenstein, K. Nguyen

ABSENT: (1) Bui

Study Session

ORAL COMMUNICATIONS

Speakers: None.

DISCUSSION ON THE CITY'S 2021/23 BIENNIAL BUDGET (F: 34.1)

City Manager Stiles reviewed budget highlights stating that the total budget for 2022 is \$337.3 million and for 2023, \$302.7 million with \$141 million in 2022 and \$145.6 million in 2023 in the general fund. The budget is balanced and projected expenditures do not exceed projected revenue, and one-time internal service funds were not needed to balance the budget. One-time American Rescue Plan funds will require careful consideration for allocating for long term financial security. During the COVID-19 devastation, in addition to the immeasurable human cost, in the past 18 months Garden Grove suffered through a loss of TOT revenue of more than \$28 million with a projection of another \$10 million dollar loss through the upcoming biennial fiscal years. The Police Department alone was required to allocate millions of dollars of resources in order to continue to provide services. The City underwent a hiring freeze and budget cuts to nonessential training and travel, nonessential equipment and capital purchases reassessing personnel equipment needs and reassessing procedures. The one-time \$48 million in American Rescue Plan funds will give the City a fighting chance to protect reserves and rebuild critical infrastructure improvements. Materials provided for review are: the proposed budget book, a budget in brief that was requested by Mayor Pro Tem Kim Nguyen in 2019, and an estimated revenue and expenditure summary requested by Council Member Brietigam. He introduced Patricia Song, Finance Director, and thanked Patricia and commended her staff for their work.

Finance Director Patricia Song provided a PowerPoint presentation along with

Budget Manager, Ann Eifert that covered the following:

- The American Rescue Plan Act of 2021.
- COVID Recovery and a Balanced Budget.
- Financial Infrastructure
 - Financial Commitment
 - Investment Prioritization
 - Action Plans
- Public Safety and Quality of Life
 - Be Well Mobile Mental Health Services
 - Graffiti Abatement Enhancement
 - Trees, Medians & Traffic Signals
 - Traffic/Parking Enforcement
 - Traffic Sign Replacement
 - Police Building Security Improvement
 - Digital Plan Check Technology
- Financial Overview
 - Impact of pandemic that required an amendment to the FY 2020-21 budget
 - Good News – Sales Tax estimate projections better than expected, property tax remains strong, building permits, interest earning accounts, CARES Act funding, and the one-time American Rescue Plan.
 - Bad News – Transient Occupancy Tax losses
- City Council Priorities
 - COVID Recovery and a balanced budget that maintains city services, supports businesses, and protects reserves
 - Public Safety maintaining staffing levels, crime reduction strategies, facility improvements
 - Quality of Life and Infrastructure needs.
- Projected budgets included the General Fund, Housing Authority, Successor Agency, Water and Sanitary District and an outline for operating and capital improvement projects.

- Challenges: Deferred Infrastructure improvements, increase in labor costs, Risk Management/Worker's Compensation funding, rising costs for contracts and commodities, mental health and homelessness.
- Opportunities: Economic Recovery, Reopening of California and tourism recovery, Site C Development, and the American Rescue Plan.

Council Member Klopfenstein thanked staff for a comprehensive and clear budget overview, and she asked whether the city parks will be reseeded and if the Main Street parking lot will be improved.

Public Works Parks and Facilities Manager, Phil Carter responded that the following parks will be reseeded: Chapman Sports Complex, Village Green, Edgar School Park, West Grove Park, and the Garden Grove Park football/soccer field.

Budget Manager, Ann Eifert stated that the budget includes asphalt repair, irrigation, tree removal and replacement, and restriping to the Main Street west parking lot.

City Manager Stiles noted that the Main Street west parking lot improvements need to be budgeted for the second year of the budget due to upcoming construction on Acacia.

Council Member Klopfenstein stated that quality of life is important to her and she would like to see additional resources for code enforcement that includes staffing and public education outreach. She would like to get an update on code enforcement efforts within the next six months.

Mayor Pro Tem K. Nguyen noted that one of her council priorities was for Director updates. She noted the money budgeted for the pavement plan and graffiti, and commented that she is aware of other cities that cover graffiti on public property as well as private property. She noted the lengthy amount of time it takes for graffiti removal, and she receives numerous emails from residents. She would like the city to be proactive on improving the quality of life for the residents. She would like to have a more detailed breakdown on items such as the 22 defunded positions and the 17 to be brought back. She asked whether the School Resource Officers were paid by the Garden Grove Unified School District, and she asked about school crossing guards, commenting that while she is concerned about safety there does not seem to be the need for as many as she has seen. She asked if there was an update on the grant application for Woodbury Park improvements, and if the OC Delegation were aware and if they provided letters of support.

Police Chief DaRé responded that the Garden Grove Unified School District are paying for three officers, and there are a total of five resource officers, and the City does cover the cost for school crossing guards.

Community Services Director, John Montanez, stated that the grant application was submitted in March, and that the OC Delegation were made aware of the application.

Mayor Jones asked about the next steps and asked for the budget materials from tonight's meeting be posted on the City's website.

City Manager Stiles responded that tonight's meeting was informational, and the budget will be on the June 22, 2021, City Council agenda for consideration.

ADJOURNMENT

At 7:55 p.m., Mayor Jones adjourned the meeting.

Teresa Pomeroy, CMC
City Clerk