

Student Journal

A survey course in our city's multiplying problems



By Craig Powell
Inside City Hall

Last year, Inside Publications publisher Cecily Hastings encouraged me to apply to Sacramento's City Management Academy, a 10-week program designed to give participants a high-octane, behind-the-scenes education in how city government actually runs in Sacramento.

I'll admit I was initially reluctant. Giving up 10 consecutive Wednesday nights to seminar-like discussions with city department directors had, frankly, never been on my personal bucket list. And I was also doubtful that I had much of a chance of being selected: Not only is admission to the academy pretty competitive, but I have a well-deserved reputation as a major critic of city government and would surely be voted off the island if city council members had anything at all to say about it. Or so I thought.

But as a city policy wonk and a fifth-generation resident in a lifelong love affair with Sacramento, I couldn't pass up the opportunity, so I applied. To my great surprise, I was accepted. This is my "student journal" of my impressions and experiences in the academy.

Our classes were mostly held in the fifth-floor conference room of New City Hall. Thirty-two of us assembled for the first class, drawn from about 25 of the city's more than 125 neighborhoods. It was a broadly diverse class: young, old, affluent, low income, experienced city hands and newcomers to city issues, representing an astonishing variety of ethnic backgrounds, life experiences and political orientations. About the only trait we all had in common was a concern for Sacramento.

What became apparent from our very first session in late January, featuring then-interim city manager Gus Vina, was that our academy classes were playing out against the backdrop of an escalating number of major problems facing the city.

Management Crisis: Vina's Out, Edgar's In and the Search Goes On

Vina had just been told by a deeply divided city council that he was not being hired as the permanent city manager after an 11-month test run as interim city manager. Four council members wanted to give the permanent job to Vina; five did not. Why was he being passed over for the job? The five members who voted to deny him the job refused to say. It was the sense of our class that Vina, a capable, well-respected and refreshingly candid city manager, was likely collateral damage in the factional fight between Mayor Kevin Johnson and his council allies, on the

one hand, and the mayor's council opponents, on the other.

Fast forward 10 weeks to our last class on April 6, when Vina made a return visit to the academy, one day before his final day as city manager. He had abruptly announced his resignation 12 days earlier, citing insufficient support from the council. He received a strong round of applause from the class for his years of service to the city. Two days later, the council announced the appointment of former city manager Bill Edgar to the post on an interim, part-time basis, the city's third city manager in 13 months. The council's search for a new permanent city manager continues.

In our city council-city manager form of government, the post of city manager is of immense importance. He is our city's CEO, hiring and firing department directors, writing the city's budget (subject to council approval) and overseeing the city's 4,100 employees. Many observers are very worried about whether the war zone at city hall will dissuade the best candidates from even applying for the post, leaving the council with a shallow pool of candidates from which to choose.

Negative Fallout From the City's Management Crisis

The chaotic state of city management is having negative repercussions throughout city government. City department managers who appeared before

our class frankly admitted that it is difficult for them to plan for the future without clear direction from a council often distracted by internal squabbles. They are having difficulty predicting how the council will respond to new initiatives, causing them to be somewhat tentative in their recommendations and guarded in their statements. None of them wants to be caught in the crosshairs of council factions or suffer Vina's fate.

In his first appearance before us, Vina highlighted the details of an economic recovery plan that he and his staff presented in February. The council at the time asked a few desultory questions about the plan and has since ignored it.

Vina and city budget officials recently presented the council with a list of possible budget fixes to close the estimated \$35 to \$40 million budget deficit for the next fiscal year beginning July 1, including requiring city employees to increase their pension contributions and reducing the city workweek from 40 to 36 hours, each of which would require reopening labor contracts with city unions. While the council recently approved the general thrust of Vina's budget ideas, at least one councilmember, Kevin McCarty, insisted that Vina not even try to reopen labor contracts this year.

With Vina now gone and only 60 days remaining until the beginning of the next budget year, will Edgar adopt Vina's budget proposals, or will he present his own set of fixes? Will

City Hall continued on page 14

Eye on Sacramento

New city watchdog/advocacy group launched

By Cecily Hastings

A group of longtime community activists have formed a nonprofit organization to keep a watchful eye on the actions of local government. Called Eye on Sacramento, the group—part watchdog, part think tank and part policy advocacy group—will focus on issues confounding city government.

The group seeks to fill a void left by cutbacks in local media attention to city government. “There is a great deal that goes on in local government that is never scrutinized, never sees the light of day,” says EOS president Craig Powell, a local attorney and Inside Publications columnist. “We aim to change that by maintaining a regular presence at government hearings and keeping residents and neighborhoods abreast of the impact local government actions are having on their lives and their neighborhoods.”

EOS also aims to serve as a community counterweight to the influence of special interests. Says Powell, “There is currently no group at city hall or active in the public square that is advocating consistently for the broad interests of everyday Sacramentans: for transparency

and integrity in government, for protecting our neighborhoods, for getting good value for our tax dollars and for preserving adequate levels of core public services at a cost we can afford. That’s the job we’d ordinarily expect our elected officials to do. But reality has taught us that the power of special interests too often trumps the public interest.”

EOS is setting up policy teams under the leadership of EOS executive vice-president and policy director Greg Hatfield. Hatfield is a local consultant and co-president of South Pocket Homeowners Association, who served for several years as the city’s senior budget analyst. Each team will be responsible for in-depth research and policy development on specific issues. All EOS participants are volunteers except for its executive director, Adam Willoughby, who works at EOS’s newly established offices.

Another major goal of EOS is to serve as a link between local government and Sacramento neighborhoods. “Sacramento neighborhoods need and deserve a stronger voice in local government,” says EOS community outreach director Lisa Garcia. “EOS will help empower that voice by assigning EOS outreach representatives to each of the city’s neighborhood and community groups and by listening to what neighbors want and need. We encourage people to join up as members of EOS as our impact on policy will be depend on the number of voices we represent.”

To join EOS or financially support its programs, go to EyeonSacramento.org, call 403-0592 or e-mail Craig Powell at Craig@EyeonSacramento.org.

Cecily Hastings serves as an adviser to Eye on Sacramento. ●

City Hall continued from page 10

he have the strong council support he needs to reopen labor contracts and reduce wage and benefit costs, which now consume 82 percent of the general fund budget?

If he is unwilling or unable to reopen labor contracts, he will have little choice but to close the deficit by laying off as many as 450 city employees, further decimating already reduced city services. With more than 80 percent of the budget now spent on police and fire services (up from 52 percent five years ago), the layoffs would fall predominantly on the ranks of police and firefighters, degrading public safety.

City Departments Struggling To Cope

Meanwhile, the various city departments are dealing with a seemingly endless set of problems. Economic development director Jim Rinehart has perhaps the biggest challenge: trying to help a local economy that is stuck at 12.7 percent unemployment and rated by Forbes magazine as having one of the worst business climates in the country. To make his task even tougher, his department’s budget has been slashed 75 percent in the past few years.

Officials of Sacramento Housing and Redevelopment Agency briefed us on Gov. Jerry Brown’s effort to terminate all redevelopment funding as part of this year’s state budget fix. Meanwhile, federal funding for community block housing grants is rapidly evaporating with new GOP

leadership in the House, throwing a major wrench into SHRA’s ambitious housing plans.

Parks and recreation director Jim Combs briefed us on his effort to lower the cost of park maintenance—and fill the void left by park worker layoffs—by expanding an existing youth employment program and putting young adults to work maintaining city parks. More pools and community centers are likely to be shuttered this year unless the city acts quickly and nimbly to negotiate management contracts with private entities or private funders step up to cover operations costs, as they have done in the case of some city pools this past year.

City treasurer Russ Fehr and finance director Leyne Milstein gave us the cold, hard truth of the city’s declining cash position and chronic budget deficit. Fehr briefed us on his January warning to the council to halt its practice of spending down the city’s cash reserves on “one-time” expenditures to fill holes in the city budget (which last year kept several city pools open). The council has burned through close to \$90 million of reserves in the past three years, reducing reserves from \$100 million to close to \$10 million today—the equivalent to a single day’s tax collections. Milstein warned us that if Sacramento suffered the equivalent of a Roseville Galleria fire, the city’s cash reserves would vanish almost immediately due to the loss of sales tax receipts. Fehr warned us of

City Hall continued on page 17

the dangers of the city being at the mercy of turbulent municipal finance markets for short-term borrowing. These were not upbeat briefings.

Rhonda Lake, the superintendent of facilities and real estate for the department of general services, gave us a rundown on the city's real estate holdings, which now stand at about 2,000 parcels. The city has engaged a real estate brokerage firm to help assess which parcels can be sold off as surplus to help close the city budget deficit. Meanwhile, the city is racking up about \$1.5 million per year in deferred maintenance. Its maintenance backlog now stands at \$35 million worth of work.

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Mike Malone of the utilities department briefed us on the challenges of maintaining the city's 100-year-old unified sewer and storm drainage system in the older parts of the city, as well as the city's controversial move to replace street pickup of garden refuse (via the claw) with garden refuse containers. Some members of the class (including yours truly) argued that the department was heavy-handed in the way it introduced the program, treating residents as container customers unless they took affirmative steps to opt out of the new containers. The city claims that since only 12,000 people took steps to opt out of using new containers, the city is now compelled to either double or quadruple the rates of the few remaining claw customers.

Deputy police chief Sam Somers recapped the city's crime situation for us. While overall violent and property crime rates have been falling in the city, crimes involving gang violence

are sharply on the rise. Sacramento is ranked as having the second worst crime rate in the state for both violent and property crimes, worse than Los Angeles on a per-capita basis. (We even have the second worst record in the state for traffic collisions.) The police are focusing resources on closely tracked crime hotspots around the city. They are also pursuing an innovative "Ceasefire" program that offers gang members a stark choice: End the violence and accept supportive social services or be aggressively prosecuted by federal and state authorities and sent away to distant prisons far away from their families.

The only really upbeat session we had was with Mayor Johnson and his team of initiative leaders. The mayor identified his top three focus areas this year: building the local green economy, developing the downtown core, and education. He brought along the leaders of his various initiatives, which include Sacramento Steps Forward (his homelessness initiative), Greenwise (his environmental initiative), Stand

Up (his education effort), For Art's Sake (his arts support effort) and Volunteer Sacramento (his effort to make volunteer service a part of the Sacramento culture). Much of what the mayor is pursuing with his initiatives amounts to creative public/private partnerships that operate outside of the normal channels of city government, giving him a degree of flexibility that clearly suits him.

Would I recommend the academy to anyone else interested in civic affairs and city government? Absolutely. One impressive note: The academy this year was run without a single dime of public money. All city staffers volunteered their time after normal working hours, and a number of alumni from previous academy classes volunteered their time to staff our sessions. I discovered I'm not the only one having a love affair with our city.

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