



AGENDA REPORT

City Council

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| DATE: | September 24, 2024 |
| TO: | Mayor Martinez and Members of the City Council |
| FROM: | Council Member Soheila Bana |
| Subject: | Direct Staff to Conduct an Assessment, Study and Community Outreach on the Usage of Chevron's \$550 Million Payment Over the Next 10 Years |
| FINANCIAL IMPACT: | Funding for a fee of up to \$100,000 to hire consultants to facilitate community outreach efforts, conduct related assessments and studies will need to be determined. Staff time is needed to assist in the collection, compilation and assessment of data for the spending use of the annual payments beginning in 2025 and an outline of spending for the \$550 million payment over the next 10 years |
| PREVIOUS COUNCIL ACTION: | Special City Council Meeting - August 14, 2024 |
| STATEMENT OF THE ISSUE: | To ensure the \$550 million to be paid over the next 10 years is used according to the will of the community to address the unmet needs of our residents and benefit the next generation, and to create a just pathway to create more revenue sources for the city and transition from reliance on Chevron as a primary revenue source. |
| RECOMMENDED ACTION: | DIRECT staff to issue a request for proposals, IDENTIFY a funding source and ALLOCATE up to \$100,000 to hire consultants to facilitate community outreach efforts and conduct assessments, and to DIRECT the city manager and appropriate staff to design and implement comprehensive community outreach to gather input on enhancing public safety and quality-of-life services, |

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| | <p>support and assist with the assessment of the City's unmet infrastructure needs, and assess the City's unfunded obligations and develop a strategy to reduce these within 10 years and to create a reserve fund to relieve future generations of debt burdens - Councilmember Soheila Bana (510-620-6743).</p> |
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DISCUSSION:

The \$550 million payment from Chevron presents a historic opportunity for Richmond to address longstanding infrastructure deficits, critical public safety needs, and to improve the quality of life for its residents. By ensuring these funds are allocated equitably, with broad community input, we can make meaningful improvements for our current population while safeguarding Richmond’s financial future for generations to come.

The City Council would benefit from comprehensive studies and assessments in the following areas:

1. Community Outreach and Engagement:

- Design and implement a thorough community outreach process to hear directly from all communities about their needs and priorities, especially in enhancing quality-of-life services (e.g., housing, parks, youth services, employment and training opportunities, healthcare, and recreational services).
- Ensure that outreach efforts prioritize equitable representation from historically underrepresented communities, guaranteeing inclusivity and fairness.
- Utilize a variety of methods, such as town halls, online surveys, and partnerships with local organizations to capture the full spectrum of resident input.

2. Assessing Basic Infrastructure Needs:

- Conduct a detailed assessment of the City's unmet infrastructure needs, focusing specifically on public and environmental safety. Public safety should be considered broadly, encompassing traffic safety, reducing gun violence, addressing gender-based violence, providing shelter for all residents, wildfire prevention, and healthcare access.
- Identify high-priority areas for investment to ensure a safe, sustainable environment for all residents.

3. Assessing Unfunded Obligations and Long-Term Financial Stability:

- Provide a thorough assessment of the City’s unfunded obligations, including pension liabilities and infrastructure deficits. Develop a strategy to reduce these obligations over the next 10 years using Chevron's payments to ensure financial benefit to future generations.

- Explore the creation of a reserve fund or other financial safeguards to address these long-term liabilities, ensuring that future generations are not burdened with excessive debt.

4. Planning for a Just Economic Transition:

- Develop a strategic framework within the next 6 months to transition Richmond away from reliance on Chevron as its primary revenue source. This plan should focus on diversifying economic opportunities, attracting new businesses, and promoting green initiatives to build a sustainable future for Richmond.
- Collaborate with local labor organizations, environmental groups, and economic experts to develop a transition plan that includes workforce training and retraining, particularly in industries aligned with environmental sustainability.

Timeline and Deliverables:

City staff should present their assessments on community outreach findings, unmet infrastructure needs, and unfunded obligations by the end of February 2025.

These findings will play a critical role in shaping the City's budget for FY 2025-26, which will be finalized by June 2025, while also providing a clear outlook for long-term planning and future allocation of Chevron's \$550 million payment.

Richmond has a unique opportunity to lead the way in community-driven decision-making and sustainable development, while also addressing its unfunded liabilities and reducing its dependence on Chevron for revenue.

DOCUMENTS ATTACHED:

None