

**2024-2025 Proposed Operating Budget  
Stormwater Permit Implementation Funding Summary**

This document summarizes the additional funding included in the 2024-2025 Proposed Operating Budget to meet the requirements of the City's Municipal Regional Permit (Stormwater Permit). While these resources are primarily focused on the impacts to the City's waterways (Direct Discharge), there are various other requirements that need to be addressed and are included below.

The San Francisco Bay Regional Water Quality Control Board previously rejected the City's third submittal of the Direct Discharge Plan, which in accordance to the Stormwater Permit requirements, shall demonstrate a commitment to and a plan for increasing housing and addressing trash, sanitary and other services to reduce discharges associated with unsheltered homeless populations living in waterways and in vehicles near storm drains. The San Francisco Bay Regional Water Quality Control Board concluded that the City shall prioritize housing and services to people experiencing unsheltered homelessness who are living near receiving waters (within 500 feet) and needs to incorporate this as a criterion for encampment abatement. Failure to comply with these mandates could expose the City to significant legal and financial risks. The City resubmitted its fourth revised plan on March 6, 2024. Though the Board has not yet responded, the 2024-2025 Proposed Operating Budget includes significant investment for new or enhanced services to meet Stormwater Permit requirements. Consistent with City Council's direction in their approval of the Mayor's March Budget Message for Fiscal Year 2024-2025, the Proposed Budget leverages several funding sources to address Stormwater Permit requirements.

While preliminary resource needs and initial implementation strategies are outlined below, the Administration will be refining this approach over the next several months. As the approach is refined, the allocation of resources may need to shift. In particular, depending on the timing of establishing safe/alternative sleeping sites, the allocation of resources within and between strategies 1-3 below may shift. The Administration will bring forward adjustments as part of a future budget process, as necessary. However, Measure E resources will only be used for safe/alternative sleeping sites or service provision to unhoused residents - Measure E will not be used for encampment management and abatement activities.

<b>Stormwater Permit Implementation Strategies</b>	<b>FTE</b>	<b>2024-2025 Amount</b>	<b>Ongoing Amount</b>	<b>Funding Source</b>
<b>1. Safe or Alternative Sleeping Sites</b>		<b>10,000,000</b>	<b>5,000,000</b>	<b>Measure E</b>
This allocation funds the identification, design, construction, and operation of safe sleeping or other alternative sites for homeless residents to relocate 500 unsheltered community members that are currently in encampments along waterways. While the scope and operational model of these sites are under development, the identified goal is to move these unsheltered community members to a managed environment within a tent or other minimal temporary shelter. This funding is also inclusive of staffing and consultant services costs for Public Works to expedite interim housing and safe sleeping site development, both of which will be critical to comply with Stormwater Permit requirements.				
It is important to note that the scope and operational model of these sites are under development. Preliminary scoping exercises have yielded development costs that range from \$18,000 to \$40,000 per tent, which would result in a range of \$9 - \$20 million for 500 tent sites. Examples of operating costs for safe sleeping sites in other jurisdictions range from approximately \$10,000 to \$13,000 per tent annually. While work is ongoing to arrive at construction and operating cost models to the placement of 500 residents at safe sleeping sites, given the City's significant budgetary constraints, the City may need to consider a mix of sleeping options, including smaller, minimally supported sites that receive very few services. Depending on the operational model for these sites, the ongoing funding need may be significantly higher and will need to be reevaluated in subsequent budget cycles.				
<b>2. Outreach, Sanitation and Other Service Provision</b>	<b>-</b>	<b>3,600,000</b>	<b>3,500,000</b>	<b>Measure E</b>
This allocation funds sanitation services to encampments along waterways, as well as outreach and other support services to help meet the basic needs of residents along the waterways and conduct housing assessments to refer and place individuals into shelter and housing opportunities. This funding will also allow for a more accurate count for those living along waters. Preliminary estimates of these services are shown below, though the exact amount may shift.				
<i>Encampment Sanitation Services</i>		<i>2,000,000</i>	<i>2,000,000</i>	
<i>Outreach Team</i>		<i>1,500,000</i>	<i>1,500,000</i>	
<i>Count of Unhoused Individuals</i>		<i>100,000</i>		

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<b>3. Encampment Management and Abatement</b>	<b>11.0</b>	<b>7,833,263</b>	<b>7,376,028</b>	<b>General Fund</b>
This allocation provides resources for the Beautify San José team to abate and clean encampments along waterways, institute "no return zones" once encampments have been removed and cleaned, and to provide clean-up and abatement services to surrounding neighborhoods, as necessary. This allocation generally assumes that operations begin toward the end of calendar year 2024 after the opening of alternative or safe sleeping sites. Preliminary estimates of these services are shown below. To the extent that alternative sites or other locations are not available to receive unsheltered residents, the implementation of some of these teams will be pushed out later in the fiscal year, with any savings in 2024-2025 redeployed for safe or alternative sleeping site development. Additional information is included in the Parks, Recreation and Neighborhood Services Department section of the budget document.				
<i>Waterways Abatement</i>	6.0	4,662,567	4,973,342	
<i>Mitigating Impacts to Neighborhoods</i>	2.0	1,763,811	1,854,811	
<i>Deterrents Installation and Maintenance</i>		1,000,000		
<i>No Return/No Encampment Zones</i>	3.0	406,885	547,875	
<b>4. Recreational Vehicle Pollution Prevention Program</b>	<b>3.0</b>	<b>1,425,000</b>	<b>1,654,120</b>	<b>Measure E</b>
This allocation expands the Recreational Vehicle (RV) Pollution Prevention Program to increase the number of RVs and other lived in vehicles served from 150 to 600 every two weeks. This program removes and disposes of human waste from RVs and lived in vehicles, preventing these discharges from entering waterways. Additional information is included in the Parks, Recreation and Neighborhood Services Department section of the budget document.				
<b>5. Police Presence and Security</b>	<b>-</b>	<b>1,200,000</b>	<b>500,000</b>	<b>General Fund</b>
This allocation continues the proactive Police Department patrols, funded on an overtime basis, along the Coyote Creek and Guadalupe River Trail, and allocates funds for Police Department presence during abatement and clean-ups. Additional information is included in the Police Department section of the budget document.				
<i>Coyote and Guadalupe River Trail Patrol</i>		700,000		
<i>Security</i>		500,000	500,000	
<b>6. Other Required Activities</b>	<b>8.0</b>	<b>2,853,616</b>	<b>1,345,529</b>	<b>Multiple Funds</b>
This category includes a number of new investments needed to implement the Stormwater Permit, including the maintenance of Large and Small Trash Capture Devices, inspections of stormwater connections on private and public property, an evaluation of fire stations for the presence of PFAS, and mitigating PCBs within certain storm drain sections. This category also allocates additional ongoing funding for creek clean-ups to non-profit partners and staffing in Public Works Development Services Program to coordinate the implementation of policies and programs to address new state requirements for new and redevelopment projects. Finally, this category includes funding for an engineering assessment study for the potential development of a fee program to offset the costs of Stormwater Permit implementation.				
<i>Trash Capture Devices Maintenance (DOT)</i>	5.0	1,348,702	681,133	Special Fund
<i>Municipal Regional Stormwater Permit Inspection Programs (ESD)</i>	2.0	481,930	348,396	General Fund/Special Fund
<i>Stormwater Assessed Fee Engineering Report (City-Wide Expenses)</i>		300,000		General Fund
<i>Aircraft Rescue and Firefighting Foam Disposal (Airport)</i>		270,000		Special Fund
<i>Development Services Coordination (Public Works)</i>	1.0	172,984	241,000	General Fund/Special Fund
<i>PFAS Evaluation (ESD)</i>		165,000		General Fund
<i>Creek Clean-up Partners (PRNS)</i>		75,000	75,000	General Fund
<i>Polychlorinated Biphenyls (PCB) Mitigation (DOT)</i>		40,000		General Fund
<b>Total</b>	<b>22.0</b>	<b>26,911,879</b>	<b>19,375,677</b>	
Direct Discharge	14.0	24,058,263	18,030,148	
Other Requirements	8.0	2,853,616	1,345,529	
<b>By Funding Source</b>				
<i>Measure E</i>	3.0	15,025,000	10,154,120	
<i>General Fund</i>	13.0	10,043,462	8,128,976	
<i>Other Special Funds</i>	6.0	1,843,417	1,092,581	