



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Lee Wilcox

SUBJECT: CITY COUNCIL POLICY
PRIORITIES

DATE: May 16, 2019

Approved

D. DSYL

Date

5/16/19

BACKGROUND

On June 19, 2018, the City Council adopted recommendations made by the Administration that aligned the Council Priority-Setting Process to the City's annual budget process, with an annual policy prioritization meeting being held prior to the kickoff of the City's annual budget process.

The Council's Policy Prioritization Process meeting was held on March 5, 2019. For this meeting, Councilmembers submitted twenty-five proposals for prioritization consideration. As the priority-setting process is intended to prioritize work that involves changes to City policy, nominations primarily involving budget issues—such as the creation of new positions or allocation of funding—were referred to the budget process. These items included:

- A. Family Friendly City - Child Care
- B. Family Friendly City - Facilities
- C. Blight Squad
- D. Illegal Dumping Education Campaign & Surveillance
- E. General Plan and Zoning Alignment (Phase 2)

At the March 5, 2019 meeting, Councilmember Arenas requested staff to provide the Council with cost estimates for each item referred to the budget process through a Manager's Budget Addendum (MBA) as part of the 2019-2020 Budget Process. The information contained below is in response to this request.

It is also important to note that on May 3, 2019, MBA #2 Update on Coordination Efforts Related to Beautify SJ and Managing the Impacts of Homelessness was released. The content of this MBA is relevant to both the Blight Squad and Illegal Dumping Education Campaign & Surveillance nominations. MBA #2 outlines the organizational review that was completed of programs that support beautification efforts across the city, and provides a roadmap for future efforts to enhance the delivery of services and coordination between departments. Strategies outlined in that MBA will further the City's understanding of blight issues in the city, allowing departments to be more

data-driven in the deployment of resources, as well as inform comprehensive education campaigns and enforcement efforts.

ANALYSIS

The council nominations referred to the budget process, if funded, would need the support of several departments. Staff from Public Works, Parks, Recreation and Neighborhood Services (PRNS), Environmental Services (ESD), and the Planning, Building and Code Enforcement (PBCE) Departments reviewed all nominations to provide Councilmembers with budget information, including: a) whether funding would be for one-time or ongoing expenses, b) if funding would be used for personnel, equipment, consultation services, or other necessities, and c) an explanation of other relevant information including coordination with other departments, assumptions being made, anticipated challenges, and/or other contextual information.

The following cost estimates are in the policy nomination order listed above.

A. Family Friendly City – Child Care

In her Family Friendly City nomination, Councilmember Arenas requested a review of City owned facilities near City Hall to determine the feasibility of providing childcare opportunities to City staff using existing City programs. The PRNS Department has provided the following recommendations and estimates to provide additional childcare opportunities to City staff by expanding its existing San José Recreation Preschool program.

As a license-exempt care provider, PRNS does not currently provide all-day childcare to participants, though it does operate its San Jose Recreation Preschool (SJRP) program at 13 sites throughout the City with programming for children ages 3-5 years old. The program promotes the citywide strategy of supporting education and digital literacy by preparing children for kindergarten and providing experiences that support their physical, cognitive, and social/emotional development in a safe and inclusive environment. For the 2019-2020 school year, SJRP will implement the Early Education Program Quality Standards by using an evidence-based curriculum and conducting formal assessments of participants. The Library and PRNS Departments, together with their partners, will continue to ensure that families in San José have access to affordable, high-quality childcare/preschool and that all young participants advance with a foundation of social, emotional, and early literacy skills.

SJRP provides Little Learners classes for children ages 3-4 years old, and Kinder Prep classes for children ages 4-5 years old. Parents can enroll in either a Monday/Wednesday/Friday class option, or a Tuesday/Thursday option for 3 hour sessions in either the morning or afternoon. For the 19-20 school year, annual prices are as follows: \$2,871 for M/W/F and \$1,917 for T/TH. A scholarship option is available for eligible participants and provides a 35% discount.

Two existing SJRP sites—Roosevelt and Mayfair Community Centers—are each within 3 miles of San Jose's City Hall and are projected to have capacity in the 19-20 school year to enroll additional participants. City staff are encouraged to enroll their children at these sites while space is available.

PRNS also considered two additional options to provide SJRP opportunities to City staff:

1. Convert room space at Gardner Community Center to add additional SJRP classrooms. Gardner Community Center is a Reuse facility that is less than 3 miles away from San Jose City Hall and currently offers youth and older adults programming operated by City staff. Utilizing Gardner space to create one new SJRP classroom would cost approximately \$70,000 in non-personal expenses for initial furniture and equipment to make the space preschool ready. Ongoing costs would include \$10,000 for consumable supplies and materials, as well as roughly \$133,000 for staff costs including 4.0 part-time unbenefited Class Instructor positions. These costs are based on the assumption of one classroom containing 34 children. The total 2019-2020 costs for Option 1 are \$213,000. To partially offset the costs, estimated revenues of \$151,060 is assumed from the anticipated participation with an assumption that 20% of the participants are eligible for a scholarship. The net costs would be \$61,940.

Option 1	One-time Funding Use(s) by Category			2019-2020 Total
	Personal	Non-Personal/ Equipment	Other	
Furniture and Equipment		\$ 70,000		\$ 70,000
Consumable supplies and materials			\$ 10,000	\$ 10,000
Part-Time Staff	\$ 133,000			\$ 133,000
Total Expenditures	\$ 133,000	\$ 70,000	\$ 10,000	\$ 213,000
Total Revenues				\$ 151,060
Net Cost				\$ 61,940

2. Staff also looked at opportunities to create classrooms on the City Hall campus. The only option that seemed viable was to convert City-owned downtown space to add additional SJRP classrooms at 88 South 4th St currently occupied by Kaleid Gallery. However, since City Council approved the use of this space for the relocation of San José Clean Energy on April 30, 2019, this would mean that the use would last no longer than two to three years dependent upon the rate of expansion of San José Clean Energy. Staff does not recommend this option as the location would be temporary in nature and capital investments to use the space fit for childcare would be incurred a second time to accommodate a relocation.

Staff also looked into supporting an Early Education Quality Standards and scholarship program which could benefit our City Staff and our residents in most need of an affordable option. PRNS and the Library would need to add staff to support the expansion of SJRP programming with a focus on implementing the new Quality Standards, and building out a new scholarship program model. These staff would research and implement a new scholarship model, such as a sliding scale model which would require income verification, processing of scholarship paperwork, and the tracking and monitoring of confidential documents. PRNS will submit an additional MBA to respond to a request made from the City Council meeting on March 26, 2019, which will provide

costs and further explore San José Recreation Preschool fee structure, cost recovery, and other scholarship models.

B. Family Friendly City - Facilities

In her Family Friendly City nomination, Councilmember Arenas requested a review of City Hall and other City owned facilities to determine the feasibility of the procurement and installation of diaper changing tables and private breastfeeding/lactation spaces. The infrastructure is intended to assist staff and visitors by providing comfortable and private areas to administer child care activities.

The Department of Public Works coordinated this information with other City Departments that operate City facilities to estimate the cost to procure, install, and operate the diaper changing tables and breastfeeding / lactation spaces.

Library. Within Library facilities, 70 of the 72 publicly accessible restrooms already have diaper changing tables installed. Two additional diaper changing tables would be required at Cambrian Library. In the 23 branch libraries, 13 locations would be feasible to accommodate an ADA pre-fabricated lactation pod under current conditions while 6 libraries would require new construction. Modifications could be made in the 4 remaining libraries to convert existing space into dedicated lactation spaces.

Parks, Recreation, and Neighborhood Services (PRNS). In the 55 PRNS sites (City operated and re-use facilities), 110 restrooms would need to be outfitted with diaper changing tables. Of these facilities, approximately 14 sites would be feasible to accommodate an ADA pre-fabricated lactation pod under current conditions. An additional 14 sites could accommodate the lactation pods with some modification work to the existing infrastructure. The remaining 27 sites, based on size and operation (including some facilities that are a single meeting room), may not be conducive to install a lactation pod. For those facilities, a new structure adjacent to the facility may need to be constructed to provide a nursing space. Diaper changing tables are not currently recommended for installation in park restroom facilities due to vandalism and theft risks, although this could be re-evaluated in future budget cycles.

Police. The Police Administration Building has two restrooms that can be made accessible to the public (behind secured areas), though the main lobby space is not conducive for a lactation pod due to space constraints and security needs. The Police Substation has two publicly accessible restrooms for diaper changing tables and an area in the main lobby to accommodate one lactation pod.

Environmental Services. The Regional Wastewater Facility and the Municipal Water corporation yard do not have publicly accessible restrooms and do not have space in the main lobby area for a lactation pod. Additionally, a review of the Municipal Water corporation yard is in progress to determine impacts from growth of operations and potential reconfiguration of some areas. The Environmental Innovation Center has three publicly accessible restrooms for diaper changing tables and is currently using a utility room to accommodate nursing activities, though the space is not feasible for permanent activities. A lactation pod for this location would be recommended.

Airport. The Airport currently has diaper changing tables in all publicly accessible restrooms, and has four nursing / lactation spaces in place.

Other Facilities. The City's Cultural Facilities have 30 publicly accessible restrooms where diaper changing tables can be installed, as well as five spaces that can accommodate lactation pods. The Team San Jose convention facilities have 50 publicly accessible restrooms that can accommodate diaper changing tables, and six spaces where lactation pods can be installed. Municipal Stadium has 8 public restrooms that need diaper changing tables, with 1 area that can accommodate a lactation pod. The corporation yards have eight restrooms that can accommodate changing tables and 4 spaces for lactation pods. Lastly, City Hall has 40 publicly accessible restrooms in which changing stations can be installed, and one area within the main lobby space that can accommodate a lactation pod.

In summary, the inventory and cost estimates for Family Friendly City (Facilities) total \$12,487,500 for 2019-2020 and the details are as follows:

Funding Use	# of Units	Estimated Costs for Family Friendly City - Facilities			Ongoing
		Equipment	Other	2019-2020 Total	
Procurement and Installation of Diaper Changing Stations	255	\$ 127,500		\$ 127,500	\$ 0
Procurement and Installation of Lactation Pods	56	\$1,380,000		\$ 1,380,000	\$16,560
Modification Work to Accommodate Lactation Pods	14		\$1,080,000	\$ 1,080,000	\$ 6,480
New Construction Lactation Rooms	27		\$9,900,000	\$ 9,900,000	\$11,880
Totals		\$1,507,500	\$10,980,000	\$12,487,500	\$34,920

Procurement and Installation of Diaper Changing Stations

Diaper Changing Tables Procurement and Installation: 255 restrooms X \$500 per unit/installation = **\$127,500**

Procurement and Installation of Lactation Pods

Lactation Pods: 46 locations X \$30,000 = **\$1,380,000**

Modification Work to Accommodate Lactation Pods

Modifications to Existing Spaces, plus Lactation Pod Units:
 (18 locations X \$30,000 for modification work) + (18 pods X \$30,000) = **\$1,080,000**

New Construction Lactation Rooms

Lactation Room = 33 locations X \$300,000 = **\$9,900,000**

Ongoing Costs

The average utility cost (PG&E, water, custodial) for City facilities is \$6 per square foot annually. Each lactation pod / room will be approximately 60 square feet each.
(97 spaces X 60 sq.ft). X \$6 = **\$34,920**

C. Blight Squad

In his nomination, Councilmember Jimenez proposed the development of a "Blight Squad" to quickly eliminate blight. The Blight Squad's focus is to identify and systematically remove illegal dumping and litter in hot spots in areas not fully addressed by the City's Anti-Litter efforts or by community clean-ups. The Blight Squad is modeled after the PRNS "Strike Team", comprised of seven employees.

Staff gathered information to calculate the cost to add a Blight Squad to address litter and illegal dumping throughout the City. Considering the considerable expense of a team that would address blight citywide (Option 1), staff also developed a scaled down option that could be piloted in a geographically focused area of the city (Option 2). Should Option 2 be funded by the City Council, staff recommends that criteria be developed by the Beautify SJ Workgroup (as described in MBA #2) to determine the strategic deployment of resources as well as an evaluation of the pilot's impact on blight removal. The Program Manager and Analyst positions included in the 2019-2020 Proposed Operating Budget would be critical components to effectively designing and implementing this pilot program.

The following provide two options of service levels for consideration.

Option 1: City-wide

The Blight Squad, modeled after the PRNS "Strike Team" and ESD's RAPID team, would consist of 1.0 Maintenance Supervisor and 5.0 Maintenance Worker positions. To be most effective, the team would need the addition of three leaf body trucks and would utilize the trash compactor that is currently included in the 2019-2020 Proposed Operating Budget. This team would respond to critical citywide blight issues, that include litter/trash removal, illegal dumping, and support encampment cleanup efforts. Staff proposes that should a Blight Squad be created, that it be integrated under the BeautifySJ efforts in the Parks, Recreation and Neighborhood Services (PRNS) Department. Staff would need to evaluate and set parameters and criteria on how to deploy the Blight Squad and re-evaluate the progress after one year of experience and data.

To help this team prioritize and address their workload, the team would report to the Program Manager position that is being recommended to be added in PRNS as part of the 2019-2020 Proposed Operating Budget.

In summary, the initial cost estimate for the Option 1 City-wide Blight Squad totals \$1,222,000 for 2019-2020 and the details are as follows:

Estimate Costing for the Addition of a Blight Squad				
Funding Use	Personal	Non-Personal/ Equipment	2019-2020 Total	Ongoing
Personal Services	\$ 692,000		\$ 692,000	\$ 692,000
Trucks & Other		\$ 300,000	\$ 300,000	
Vehicle Maintenance		\$ 30,000	\$ 30,000	\$ 30,000
Processing & Disposal		\$ 200,000	\$ 200,000	\$ 200,000
Totals	\$ 692,000	\$ 530,000	\$ 1,222,000	\$ 922,000

Personal Services:

- 1.0 Maintenance Supervisor ~ \$122,000
- 5.0 Maintenance Workers @ \$104,000 each ~ \$520,000
- Overtime ~ \$50,000

Non-Personal/Equipment:

- 3 leaf-body trucks @ \$90K each ~ \$270,000 (one time)
- Computers, tablets, personal protective equipment @ \$5K x 6.0 FTE ~ \$30,000 (one time)
- Vehicle maintenance @ \$10K x 3 ~ \$30,000 (ongoing)
- Processing and disposal of collected material ~ \$200,000 (ongoing)

Should this Blight Squad option be funded, a thoughtful and thorough analysis should occur to determine its optimal integration into current and proposed Beautify SJ efforts.

Option 2: Geographically Focused

A more modest Blight Squad pilot would consist of 1.0 Senior Maintenance Worker and 3.0 Maintenance Worker positions; two vehicles for the team, which would consist of the use of two leaf-body dump trucks for their high capacity; and associated non-personal/equipment funding for the team (e.g. contractual services funding for sorting, processing and landfill disposal of collected items, tablets for the team). Staff proposes that should a Blight Squad be created, that it be integrated under the BeautifySJ efforts in the Parks, Recreation and Neighborhood Services (PRNS) Department and focus on collecting litter and addressing illegal dumping in hot spots. Staff would need to evaluate and set parameters and criteria on how to deploy the Blight Squad and re-evaluate the progress after one year of experience and data.

To help this team prioritize and address their workload, the team would report to the Program Manager position that is being recommended to be added in PRNS as part of the 2019-2020 Proposed Operating Budget.

In summary, the cost estimate for the Option 2 Blight Squad totals \$734,000 for 2019-2020 and the details are as follows:

Estimate Costing for the Addition of a Blight Squad				
Funding Use	Personal	Non-Personal/ Equipment	2019-2020 Total	Ongoing
Personal Services	\$434,000		\$ 434,000	\$ 434,000
Trucks & Other		\$ 200,000	\$ 200,000	
Vehicle Maintenance				\$ 20,000
Processing & Disposal		\$ 100,000	\$ 100,000	\$ 100,000
Totals	\$434,000	\$ 300,000	\$734,000	\$ 554,000

Personal Services:

- 1.0 Senior Maintenance Worker ~ \$122,000
- 3.0 Maintenance Workers @ \$104,000 each ~ \$312,000

Non-Personal/Equipment:

- 2 leaf-body trucks @ \$90K each ~ \$180,000 (one time)
- Computers, tablets, personal protective equipment @ \$5K x 4.0 FTE ~ \$20,000 (one time)
- Vehicle maintenance @ \$10K x 2 ~ \$20,000 (ongoing)
- Processing and disposal of collected material ~ \$100,000 (ongoing)

Should this Blight Squad option be funded, a thoughtful and thorough analysis should occur to determine its optimal integration into current and proposed Beautify SJ efforts.

D. Illegal Dumping Education Campaign & Surveillance

In his nomination, Councilmember Jimenez proposed the launch of a comprehensive education program to inform residents about illegal dumping. As recommended, the education components may include information regarding reporting illegal dumping, City processes and protocol, the costs of illegal dumping to neighborhoods and quality of life, and the free junk pick up program. Additional surveillance cameras in illegal dumping hot spot areas were also recommended.

It should be noted that outreach and education are critical components of any comprehensive blight prevention strategy. These elements, including enhanced enforcement, are being considered by the Beautify SJ Workgroup (as described in MBA #2) and are thought to be the outcome of a data-driven understanding of blight patterns across the city. With the additional resources proposed in the City Manager's 2019-2020 Proposed Operating Budget, staff will undertake an examination of blight-related data sets to understand geographic and temporal patterns that would inform future enforcement and education campaigns.

Should this nomination be pursued prior to the analysis noted above, staff proposes using an ad agency to develop and implement the outreach strategy and campaign. Outreach materials in the form of banners, billboards, bus ads, digital media platforms, and other outreach methods would be used to inform our residents. The outreach campaign would be deployed in English, Spanish, and Vietnamese to ensure that the San Jose community could access the Illegal Dumping and Junk Pickup programs.

Staff also recommends adding cameras that are similar to the cameras already in use by ESD's RAPID team. RAPID, which addresses illegal dumping in public right-of-way areas, currently uses three solar-powered, high-definition cameras with sophisticated license plate readers for all of San Jose. (For reference, the City of San Mateo possesses sixteen cameras.) These cameras are movable and are relocated to various areas in San Jose to address hot spots. They not only serve as a deterrent, but with the use of the license plate reader, have allowed ESD to identify illegal dumpers, resulting in administrative citations and fines. Increasing the number of cameras results in more semi-permanent surveillance, which will further deter illegal dumping. Cameras used by RAPID are approximately \$30,000 each, as they are designed to withstand the elements, they include solar power, and they provide commercial-grade quality surveillance. Permanent, stationary cameras are less expensive, at around \$10,000 each, however, they must be installed using existing infrastructure, such as streetlight poles, and they have less flexibility, more limitations, and no license plate reader at this price point.

The following provide two options of service levels for consideration.

Option 1:

Staff recommends piloting this effort for two years and would report back the evaluation of the pilot. As part of the ESD's Communications Division, 10% of both a Division Manager and Assistant Director would be needed to lead this effort. The following position additions would be recommended: 1.0 Senior Public Information Representative, along with consultant services, to develop and implement an outreach strategy; 1.0 Environmental Inspector to educate and interact with residents, providing residents with information on resources and programs to help deter illegal dumping and issue administrative citations to enforce the municipal code; 1.0 Maintenance Worker to install and provide ongoing maintenance of additional cameras; 1.0 Analyst to analyze and store the video images; and 1.0 Office Specialist to provide clerical support. In addition, staff recommends the addition of 20 cameras.

In summary, the cost estimate for Option 1 totals \$1,811,000 for 2019-2020 and the details are as follows:

Illegal Dumping Education Campaign & Surveillance Cost Estimate				
Funding Use	Personal	Non-Personal/ Equipment	2019-2020 Total	Ongoing
Personal Services	\$ 682,000		\$ 682,000	\$ 682,000
Computers		\$ 19,000	\$ 19,000	\$ 10,000
Vehicles/Maintenance/ Rent		\$ 160,000	\$ 160,000	\$ 100,000
Cameras		\$ 600,000	\$ 600,000	
Education & Outreach		\$ 300,000	\$ 300,000	\$ 100,000
Advertising Agency		\$ 50,000	\$ 50,000	
Totals	\$ 682,000	\$ 1,129,000	\$ 1,811,000	\$ 892,000

Personal Services:

- 1.0 Senior Public Information Representative ~ \$180,000
- 1.0 Analyst ~ \$130,000
- 1.0 Environmental Inspector ~ \$135,000
- 1.0 Maintenance Worker ~ \$104,000
- 1.0 Office Specialist ~ \$70,000
- 0.10 Division Manager ~ \$27,000
- 0.10 Assistant Director ~ \$36,000

Non Personal/Equipment:

- Computers, PPE, tablets @ \$5K for 2 staff ~ \$10,000 (ongoing)
- Computers for 3 office staff @ \$3K each ~ \$9,000 (one time)
- 2 vehicles for field staff @ \$30K each ~ \$60,000 (one time)
- Vehicle maintenance @ \$5K each ~ \$10,000 (ongoing)
- Rent for 5.0 FTE @ \$15 - 20K each ~ \$90,000 (ongoing)
- 20 surveillance cameras @ \$30K each ~ \$600,000 (one time)
- Education and outreach materials ~ \$300,000 (\$100,000 ongoing)
- Advertising agency ~ \$50,000 (one time)

This outreach plan does not consider the proportionate increase in administrative citations which will impact the Finance Department in the form of issuing notices of violation, administrative hearings, processing payments, managing payment plans, etc.

Option 2:

To implement a more modest pilot, as part of ESD's Communications Division, 10% of a Division Manager and 5% of the Assistant Director would be needed to lead this effort. The following position additions would be recommended: 1.0 Senior Public Information Representative, along with consultant services, to develop and implement an outreach strategy; 1.0 Environmental Inspector to educate and interact with our residents, providing residents with information on resources and programs to help deter illegal dumping and issue administrative citations to enforce the municipal code; and 1.0 Analyst to analyze and store the video images from added cameras. In addition, staff recommends adding 10 cameras. In addition, the use of an existing Maintenance Worker from the RAPID Team would need to be reallocated to assist with the installation and ongoing maintenance of additional cameras, which would impact RAPID's ability to respond to illegal dumping.

In summary, the cost estimate for Option 2 totals \$981,000 for 2019-2020 and the details are as follows:

Illegal Dumping Education Campaign & Surveillance Cost Estimate				
Funding Use	Personal	Non-Personal/ Equipment	2019-2020 Total	Ongoing
Personal Services	\$ 490,000		\$ 490,000	\$ 490,000
Computers		\$ 11,000	\$ 11,000	
Vehicles and Maintenance		\$ 30,000	\$ 30,000	\$ 5,000
Cameras		\$ 300,000	\$ 300,000	
Education & Outreach		\$ 100,000	\$ 100,000	\$ 100,000
Advertising Agency		\$ 50,000	\$ 50,000	
Totals	\$ 490,000	\$ 491,000	\$ 981,000	\$ 595,000

Personal Services:

- 1.0 Senior Public Information Representative ~ \$180,000
- 1.0 Analyst ~ \$130,000
- 1.0 Environmental Inspector ~ \$135,000
- 0.10 Division Manager ~ \$27,000
- 0.05 Assistant Director ~ \$18,000

Non Personal/Equipment:

- Computers, PPE, tablets @ \$5K for 1 staff ~ \$5,000 (one time)
- Computers for 2 office staff @ \$3K each ~ \$6,000 (one time)
- 1 vehicle for field staff @ \$30K each ~ \$30,000 (one time)
- Vehicle maintenance @ \$5K each ~ \$5,000 (ongoing)
- 10 surveillance cameras @ \$30K each ~ \$300,000 (one time)
- Education and outreach materials ~ \$100,000 (\$100,000 ongoing)
- Advertising agency ~ \$50,000 (one time)

ESD does not have cubicles for additional staff and Public Works will need to identify space on the 7th floor of City Hall.

Importantly, as part of the 2019-2020 Proposed Operating Budget, the Environmental Services Department is recommending the addition of several positions and some of the additional resources could be used to assist in this effort. The recommended positions will take over public outreach from the garbage and recycling haulers. The outreach efforts that had previously been done by the haulers will be shifting in-house for a unified, clear, trilingual message throughout the City. While much of this outreach strategy will focus on reducing contamination in our recycling, it will include all aspects of the Recycle Plus Program such as the Junk Pick Up Program. The Junk Pick Up Program provides unlimited large item collection and offered at no additional cost to residents, with the intention of deterring illegal dumping. These efforts are anticipated to create awareness about illegal dumping and showcases the resources that are available to our residents.

E. General Plan and Zoning Alignment (Phase 2)

Councilmember Diep submitted a nomination proposing that, for parcels in San José where the zoning and General Plan (GP) designations do not align, staff begin rezoning the parcels to bring the two designations into alignment. As detailed in the Housing Crisis Workplan, staff have funding to initiate Phase I (amendments of the Zoning Code for consistency with the General Plan and develop the first set of amendments), but not for Phase II (completion of amendments and rezoning of properties). Phase I is being completed with the use of 1.0 FTE Planner II, which is currently in the Budget and recommended to be added permanently as part of the 2019-2020 Proposed Operating Budget.

In addition, SB 1333 was passed last year which requires charter cities to have Zoning Ordinances consistent with their General Plans. Government Code § 65860(c) states that agencies must make their zoning consistent with the General Plan within a “reasonable time.” Although the term “reasonable time” is not defined in the state law, courts have recently found that one and half to two years to achieve zoning consistency with the General Plan may be reasonable depending upon circumstances. Therefore, this zoning alignment work is now mandatory for the City.

Phase I includes a comprehensive review of the zoning ordinance to identify needed amendments to bring the ordinance into conformance with the Envision San Jose 2040 GP and to further the Plan’s implementation by facilitating development consistent with the Plan. This work includes proposed modifications to existing zoning districts, and the development of proposed new zoning districts.

Phase II of the project consists of a comprehensive rezoning of properties to be consistent with the GP land use designation of given properties, which determines how a given property could be redeveloped. Removing the inconsistency between the zoning and the GP land use designation can eliminate the costly and time-consuming need to rezone a property as part of the development entitlement process.

To move Phase II forward with the comprehensive rezoning of properties in 2019-2020, at a minimum, the Planning, Building, and Code Enforcement Department would require two Planner II/III positions. Please note that due to the level of complexity associated with this project, it is difficult to estimate how much of the work could be accomplished in one Fiscal Year. Additionally, the department would require a total of \$400,000 in consulting funds to develop legal descriptions of the proposed property rezonings and to cover the cost of mailing notices to the public for the proposed rezonings. The 2019-2020 Proposed Operating Budget already includes a budget action to add \$400,000 in one-time non-personal/equipment funding to start Phase II of the project as well as the addition of 1.0 Planner III position to complete Phase I.

Importantly, consistent with the policy nomination’s direction to examine parcels and prioritize the order in which parcels should be aligned, non-personnel (consulting) cost estimates are based on rezoning priority housing and commercial development areas only—not rezoning the entire city.

In summary, the cost estimates for General Plan and Zoning Alignment (Phase 2), in addition to the actions already included in the 2019-2020 Proposed Operating Budget, would be \$320,000 and the details are as follows:

General Plan and Zoning Alignment Cost Estimate				
Funding Use	Personal	Other	2019-2020 Total	Ongoing
2.0 Planner II/III (and associated non-personal/equipment costs)	\$ 320,000		\$ 320,000	
Totals	\$ 320,000		\$ 320,000	

COORDINATION

This memorandum has been coordinated with the Departments of Public Works, Planning, Building and Code Enforcement, Environmental Services, Parks, Recreation and Neighborhood Services, Library and the City Attorney's Office.

/s/
Lee Wilcox
Chief of Staff, City Manager's Office