

Planning, Building and Code Enforcement Department

Rosalynn Hughey, Interim Director

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Facilitate the preservation and building of a safe, attractive, vibrant and sustainable San José through partnership with and exceptional service to our diverse communities and customers

City Service Areas

**Community and Economic Development
Neighborhood Services**

Core Services

Development Plan Review and Building Construction Inspection

Manage and review development and construction applications to allow issuance of permits in compliance with applicable codes and policies

Long Range Land Use Planning

Develop land use plans and policies to guide the future physical growth of the City





Code Enforcement

Enforce and promote compliance with local and State codes to ensure a safe, healthy, and attractive community

Strategic Support: Administration, Clerical Services, Budget Preparation, Fiscal Services, Human Resources, Information Systems, Marketing and Outreach, and Safety/Wellness

Planning, Building and Code Enforcement Department

Service Delivery Framework

Core Service		Program
<p>Development Plan Review and Building Construction Inspection: <i>Manage and review development and construction applications to allow issuance of permits in compliance with applicable codes and policies</i></p>		<ul style="list-style-type: none"> • Building Development Services • Planning Development Services • Development Services Administration
<p>Long Range Land Use Planning: <i>Develop land use plans and policies to guide the future physical growth of the City</i></p>		<ul style="list-style-type: none"> • Long Range Planning • Planning Environmental Review and Historic Preservation • Planning Administration
<p>Code Enforcement: <i>Enforce and promote compliance with local and State codes to ensure a safe, healthy, and attractive community</i></p>		<ul style="list-style-type: none"> • Community Code Enforcement • Multiple Housing Code Enforcement • Solid Waste Enforcement Fee • Code Enforcement Administration
<p>Strategic Support: <i>Administration, Clerical Services, Budget Preparation, Fiscal Services, Human Resources, Information Systems, Marketing and Outreach, and Safety/Wellness</i></p>		<ul style="list-style-type: none"> • PBCE Financial Management • PBCE Human Resources • PBCE Information Technology • PBCE Management and Administration

Planning, Building and Code Enforcement Department

Department Budget Summary

Expected 2017-2018 Service Delivery

- Complete plans for the East Santa Clara, West San Carlos, and South Bascom Urban Villages.
- Complete the plans, Area Development Policy, and Environmental Impact Report (EIR) for Stevens Creek, Santana Row, and Winchester Urban Villages and bring to Council for consideration.
- Complete proposed zoning changes to East Santa Clara, Roosevelt Park, Little Portugal, and The Alameda Urban Villages to facilitate development consistent with the approved Urban Village Plans.
- Complete the Downtown Strategy 2040 EIR and increase development capacity for residential and office development in Downtown.
- Draft Sign Ordinance amendments and options for City Council consideration that will allow electronic digital off-site advertising sign or billboard installations.
- Explore municipal ordinance changes that could allow medical marijuana distributors, manufacturers, and testing labs to operate in San José.
- Implement the fully Integrated Permitting System, which includes electronic plan submittal review, mobile inspections, and the improved public portal on the Development Services website.
- Provide 90% of all Building Division field inspections within 48 hours of request.
- Continue to increase the knowledge base and experience of Building Inspectors and the capacity for combination inspections of single family, duplex, multi-family, and solar installation projects.
- Continue to provide free public outreach events, such as the annual Building Safety Month events.
- Phase out the city-wide Neighborhood Clean-Up Program at the end of 2017, with resources shifting to provide for the more effective and efficient program of unlimited curbside junk pick-up.
- Assist the Police Department in regulating the estimated 300 massage parlors in San José.
- Restore the resources for the Building Code Compliance Program to address up to 350 building code cases requiring building permits, many of which include potentially unsafe structures.

2017-2018 Key Budget Actions

- Adds 9.0 Planner positions through June 30, 2019 for needed oversight and to support planning application review in Development Services and the Permit Center.
- Adds 1.0 Planner III through June 30, 2019 to review and prepare federal and State environmental documents for the Housing Department projects.
- Continues 1.0 Planner II through June 30, 2019 to review and prepare all environmental clearance documents related to the Regional Wastewater Facility.
- Adds 1.0 Principal Planner to support the planning needs of the multi-year implementation of major transportation investments planned for San José, including High Speed Rail, Bay Area Rapid Transit (BART), Bus Rapid Transit, and the Airport People mover.
- Adds one-time funding of \$375,000 to update the Greenhouse Gas Reduction Strategy, which is required by the State of California to be completed by 2020.
- Provides one-time funding of \$150,000 to support land use policy and ordinance changes.
- Provides one-time funding of \$200,000 to review and improve development permit processes.
- Adds 1.0 Code Enforcement Inspector, through June 30, 2019, for expanded inspection and enforcement of the Massage Parlor Permit and Regulation Program.
- Adds 1.0 Building Inspector for a restored Building Code Compliance program.
- Adds 1.0 Code Enforcement Supervisor, through June 30, 2019, to support the Code Enforcement component of the Integrated Permit System implementation.
- Adds one-time and rebudgets unexpended funding to purchase tablet computers for Building Inspectors (\$75,000) and Code Enforcement Inspectors (\$57,600) in the field.
- Provides matching funds of \$100,000 to support a Knight Foundation grant to update and refine existing Historic Preservation Guidelines.
- Eliminates 11.0 positions with the Neighborhood Clean-Up Program phase-out.

Operating Funds Managed

N/A

Planning, Building and Code Enforcement Department

Department Budget Summary

	2015-2016 ¹ Actual 1	2016-2017 ¹ Adopted 2	2017-2018 ¹ Forecast 3	2017-2018 Adopted 4
Dollars by Core Service				
Community Code Enforcement	n/a	n/a	n/a	\$ 12,105,832
Development Plan Review and Building Construction Inspection	n/a	n/a	n/a	36,430,981
Long Range Land Use Planning	n/a	n/a	n/a	5,393,889
Strategic Support	n/a	n/a	n/a	2,783,740
Strategic Support - Other	n/a	n/a	n/a	947,881
Total	n/a	n/a	n/a	\$ 57,662,323
Dollars by Category				
<i>Personal Services and Non-Personal</i>				
Salaries/Benefits	\$ 41,344,137	\$ 45,919,816	\$ 48,842,117	\$ 50,468,283
Overtime	928,137	181,622	181,622	181,622
Subtotal Personal Services	\$ 42,272,274	\$ 46,101,438	\$ 49,023,739	\$ 50,649,905
Non-Personal/Equipment	5,141,344	6,992,420	3,801,571	6,245,838
Total Personal Services & Non-Personal/Equipment	\$ 47,413,618	\$ 53,093,858	\$ 52,825,310	\$ 56,895,743
<i>Other Costs</i>				
PBCE Other Departmental - City-Wide	n/a	n/a	n/a	\$ 720,500
Other	n/a	n/a	n/a	46,080
Total Other Costs	n/a	n/a	n/a	\$ 766,580
Total	n/a	n/a	n/a	\$ 57,662,323
Dollars by Fund				
General Fund	n/a	n/a	n/a	\$ 55,207,990
Airport Maint & Oper	n/a	n/a	n/a	46,091
Comm Dev Block Grant	n/a	n/a	n/a	1,105,119
Integrated Waste Mgmt	n/a	n/a	n/a	693,534
Low/Mod Income Hsg Asset	n/a	n/a	n/a	111,925
Sewer Svc & Use Charge	n/a	n/a	n/a	97,457
Storm Sewer Operating	n/a	n/a	n/a	60,364
Capital Funds	n/a	n/a	n/a	339,843
Total	n/a	n/a	n/a	\$ 57,662,323

Planning, Building and Code Enforcement Department

Department Budget Summary

	2015-2016 ¹ Actual 1	2016-2017 ¹ Adopted 2	2017-2018 ¹ Forecast 3	2017-2018 Adopted 4
Authorized Positions by Core Service				
Community Code Enforcement	n/a	n/a	n/a	74.03
Development Plan Review and Building Construction Inspection	n/a	n/a	n/a	202.02
Long Range Land Use Planning	n/a	n/a	n/a	19.14
Strategic Support	n/a	n/a	n/a	17.81
Strategic Support - Other	n/a	n/a	n/a	4.00
Total	n/a	n/a	n/a	317.00

¹ Some data for the 2015-2016 Actual, 2016-2017 Adopted, and 2017-2018 Forecast columns are not available. With the change to a program-based budgeting model in 2017-2018, historical budget data by the new programs and core services is not available for prior periods. Beginning with the 2018-2019 Proposed Budget, data by program and core service will be provided for all budget periods.

Planning, Building and Code Enforcement

Department Budget Summary

	2015-2016 ¹ Actual	2016-2017 ¹ Adopted	2017-2018 ¹ Forecast	2017-2018 Adopted	2017-2018 Adopted FTE
Dollars by Program					
Community Code Enforcement					
Code Enforcement Administration	n/a	n/a	n/a	\$ 286,481	0.83
Community Code Enforcement	n/a	n/a	n/a	6,192,480	37.54
Multiple Housing Code Enforcement	n/a	n/a	n/a	3,869,071	24.38
Solid Waste Enforcement Fee	n/a	n/a	n/a	1,757,800	11.28
Sub-Total	n/a	n/a	n/a	\$ 12,105,832	74.03
Development Plan Review and Building Construction Inspection					
Building Development Services	n/a	n/a	n/a	\$ 26,088,972	134.76
Development Services Administration	n/a	n/a	n/a	4,133,481	25.94
Planning Development Services	n/a	n/a	n/a	6,208,528	41.32
Sub-Total	n/a	n/a	n/a	\$ 36,430,981	202.02
Long Range Land Use Planning					
Long Range Planning	n/a	n/a	n/a	\$ 3,871,537	13.07
Planning Administration	n/a	n/a	n/a	304,786	1.13
Planning Environmental Review and Historic Preservation	n/a	n/a	n/a	1,217,566	4.94
Sub-Total	n/a	n/a	n/a	\$ 5,393,889	19.14
Strategic Support					
PBCE Financial Management	n/a	n/a	n/a	\$ 4,774	0.05
PBCE Management and Administration	n/a	n/a	n/a	2,778,966	17.76
Sub-Total	n/a	n/a	n/a	\$ 2,783,740	17.81

Planning, Building and Code Enforcement

Department Budget Summary

	2015-2016 ¹ Actual	2016-2017 ¹ Adopted	2017-2018 ¹ Forecast	2017-2018 Adopted	2017-2018 Adopted FTE
Dollars by Program					
Strategic Support - Other					
PBCE Grants	n/a	n/a	n/a	\$ 240,386	1.00
PBCE Other City-Wide	n/a	n/a	n/a	707,495	3.00
Sub-Total	n/a	n/a	n/a	\$ 947,881	4.00
Total	n/a	n/a	n/a	\$ 57,662,323	317.00

¹ Data for the 2015-2016 Actual, 2016-2017 Adopted, and 2017-2018 Forecast columns are not available. With the change to a program-based budgeting model in 2017-2018, historical budget data by the new programs and core services is not available for prior periods. Beginning with the 2018-2019 Proposed Budget, data by program and core service will be provided for all budget periods.

Planning, Building and Code Enforcement Department

Budget Reconciliation

Personal Services and Non-Personal/Equipment

(2016-2017 Adopted to 2017-2018 Adopted)

	Positions	All Funds (\$)	General Fund (\$)
Prior Year Budget (2016-2017):	319.00	53,093,858	50,498,489
Base Adjustments			
One-Time Prior Year Expenditures Deleted			
• Rebudget: Geographic Information System Implementation		(381,000)	(381,000)
• Rebudget: North San José Area Development Policy and Environmental Impact Report		(310,000)	(310,000)
• Rebudget: Code Enforcement Replacement Vehicles		(215,000)	(215,000)
• Rebudget: Urban Village Master Planning		(180,000)	(180,000)
• Rebudget: Workspace Improvement Project		(166,000)	(166,000)
• Rebudget: Update Downtown Environmental Impact Report		(120,000)	(120,000)
• Rebudget: Multiple Housing Code Enforcement Permit System		(110,000)	(110,000)
• Rebudget: Metropolitan Transportation Commission Planning Grant		(68,700)	(68,700)
• Rebudget: Envision San José 2040 General Plan Four-Year Major Review		(31,900)	(31,900)
• Rebudget: Library Digital File Conversion		(8,300)	(8,300)
• Building Development Fee Program			
- Peak Staffing		(400,000)	(400,000)
- Building Code Adoption Training and Materials		(91,000)	(91,000)
- Vehicles		(90,000)	(90,000)
- Building Inspector Computers		(15,000)	(15,000)
- Permit Center Staffing		(8,700)	(8,700)
• Planning Development Fee Program			
- Development Review Staffing/Planning (2.0 Planner I/II/III, 1.0 Planner IV)	(3.00)	(328,196)	(328,196)
- Permit Center Staffing/Planning (1.0 Planner IV)	(1.00)	(130,114)	(130,114)
- Technology Improvements		(29,500)	(29,500)
• Metropolitan Transportation Commission Planning Grant (1.0 Planner I/II/III)	(1.00)	(311,400)	(311,400)
• Medical Marijuana Program CEQA Review		(250,000)	(250,000)
• Policy and Ordinance Assistance		(250,000)	(250,000)
• Expanded Code Enforcement of Top Apartment Violators (1.0 Code Enforcement Inspector)	(1.00)	(111,000)	(111,000)
• Long Range Planning Project Staffing (1.0 Planner I/II/III)	(1.00)	(96,899)	(96,899)
• Water Pollution Control Plant Environment Review Staffing (1.0 Planner I/II/III)	(1.00)	(96,899)	(96,899)
• Code Inspector Mobile Devices		(57,600)	(57,600)
• Public Information Outreach		(52,000)	(52,000)
• Integrated Permit System Implementation (for Development Partners and Code Enforcement)		(3,149)	(3,149)
• Enterprise Asset Management Team Support and Portable Generators Replacement		(2,500)	(2,500)
One-time Prior Year Expenditures Subtotal:	(8.00)	(3,914,857)	(3,914,857)

Planning, Building and Code Enforcement Department

Budget Reconciliation

Personal Services and Non-Personal/Equipment (2016-2017 Adopted to 2017-2018 Adopted)

Base Adjustments	Positions	All Funds (\$)	General Fund (\$)
Technical Adjustments to Costs of Ongoing Activities			
• Salary/benefit changes and the following position reallocations:		3,435,656	3,445,107
- 1.0 Building Inspector Combination Certified I to 1.0 Building Inspector Combination Certified II			
- 1.0 Program Manager I to 1.0 Department Information Technology Manager			
- 1.0 Senior Office Specialist to 1.0 Staff Specialist			
• Living wage		149,303	29,622
• Postage		30,000	30,000
• Copy machine maintenance contractual services		15,000	15,000
• Vehicle maintenance and operations		13,350	14,500
• Professional development program		3,000	3,000
Technical Adjustments Subtotal:	0.00	3,646,309	3,537,229
2017-2018 Forecast Base Budget:	311.00	52,825,310	50,120,861
Budget Proposals Approved			
1. Planning Development Fee Program	15.12	2,098,439	2,098,439
2. Urban Village Planning Staffing	1.00	474,590	474,590
3. Greenhouse Gas Reduction Strategy		375,000	375,000
4. Business Permit Process Improvement Bootcamp		200,000	200,000
5. San Jose Regional Transportation Hub Project- Planning Staffing	1.00	150,000	150,000
6. Policy and Ordinance Support Staffing		150,000	150,000
7. Building Code Compliance Staffing	1.00	137,467	137,467
8. Housing Projects Environmental Review Staffing	1.00	122,778	0
9. Massage Parlor Permit Enforcement Staffing	1.00	119,569	119,569
10. Integrated Permit System-Code Enforcement Support	1.00	112,277	112,277
11. Wastewater Treatment Plant Projects Environmental Review	1.00	101,370	0
12. Historic Preservation Guidelines Update		100,000	100,000
13. Fire and Public Works Development Fee Programs and Other Fee Programs	0.18	55,579	55,579
14. Alternative Pension Reform Measure F Implementation		30,060	25,250
15. Neighborhood Clean-Up Program Phase-Out	(11.00)	(525,154)	0
16. Building Development Fee Program	(5.30)	(693,338)	(693,338)
17. Rebudget: North San José Area Development Policy and Environmental Impact Report		240,194	240,194
18. Rebudget: Medical Marijuana Program CEQA Review		222,000	222,000
19. Rebudget: Urban Village Master Planning		170,575	170,575
20. Rebudget: Multiple Housing Code Enforcement Permit System		110,000	110,000
21. Rebudget: Policy and Ordinance Assistance		110,000	110,000
22. Rebudget: Update Downtown Environmental Impact Report		99,000	99,000

Planning, Building and Code Enforcement Department

Budget Reconciliation

Personal Services and Non-Personal/Equipment

(2016-2017 Adopted to 2017-2018 Adopted)

23. Rebudget: Code Inspector Mobile Devices		57,600	57,600
24. Rebudget: Building Code Adoption Training and Materials		25,000	25,000
25. Rebudget: Metropolitan Transportation Commission Planning Grant		14,127	14,127
26. Rebudget: Library Digital Files		8,300	8,300
27. Rebudget: Workspace Improvement Project		5,000	5,000
Total Budget Proposals Approved	6.00	4,070,433	4,366,629
2017-2018 Adopted Budget Total	317.00	56,895,743	54,487,490

Planning, Building and Code Enforcement Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2017-2018 Adopted Budget Changes	Positions	All Funds (\$)	General Fund (\$)
1. Planning Development Fee Program	15.12	2,098,439	2,098,439

*Community and Economic Development CSA
Development Plan Review and Building Construction Inspection Core Service
Strategic Support – Community & Economic Development Core Service
Planning Development Services and PBCE Information Technology Programs*

The actions included in this section, funded by fee activity and the use of reserves, support the Planning Development Fee Program.

- **Planning Staff Realignment:** This action shifts 6.0 Planner (5.14 Planner II and .86 Planner III) positions (\$979,300) from being funded by Building Fees to Planning Fees to properly align costs with revenues. Based on a recent City of San José Development Services Cost Recovery Analysis and Process Improvement Study, capturing the costs of these positions that review building plans during the plan check process to ensure they meet City planning requirements is better aligned to the Planning Development Fee Program rather than the Building Development Fee Program. (Ongoing costs: \$994,982)
- **Development Review Staffing:** This action continues 1.0 Planner IV position and 2.0 Planner I positions, effective July 1, 2017, and adds 1.0 Planner IV, 2.0 Planner III, and 2.0 Planning Technician positions, effective September 1, 2017 through June 30, 2019, (\$766,400) and associated non-personal/equipment funding (total of \$16,200; \$9,000 one-time, \$7,200 ongoing) in the Planning Development Fee Program. Continued high demand on development review services in 2017-2018, with a number of large, key signature projects anticipated to be submitted within the next six to eight months, will require significant and complex development review. The Planner IV positions in Development Review will provide oversight of these complex projects and supervise a team of Planners (I/II/III) on the review of entitlement applications for rezonings, Conditional Use Permits, and Site Development Permits. Planner III positions in the Development Review Division are lead project managers on privately-initiated development projects. The Planning Technician positions will perform the administrative type work involved in reviewing development projects, allowing the planner positions to focus on the technical review and project management. These position additions will result in planner workload that is closer to industry standards and faster turnaround time for project review. (Ongoing costs: \$852,002)

Planning, Building and Code Enforcement Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2017-2018 Adopted Budget Changes	Positions	All Funds (\$)	General Fund (\$)
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1. Planning Development Fee Program

- **Microfiche Films to Digital Files Conversion:** This action adds one-time funding of \$150,000 to convert Planning Division microfiche films to digital files. The Planning Division has a library that holds important historical documents and reference materials as well as archived plans of old buildings built in San José. Some of the microfiche films have deteriorated over time and quality has degraded due to wear and tear from use. Additionally, requests to access these records from the public and internal departments can be time consuming because of needing to locate the microfiche amidst many storage files and to use an outdated microfiche reader to read and print the requested information. The funding will provide for 1) storage for all the converted microfiche films in either a cloud or on-site server allowing better access of the documents for staff which will decrease research time; 2) the ability of the public to access, view, and print records from their home or office, aligning with the Mayor's Smart City Vision to have data easily accessible for public viewing; and 3) the preservation of documents contained on aging microfiche films. (Ongoing costs: \$0)
- **Permit Center Oversight Staffing:** This action continues 1.0 Planner IV position, effective July 1, 2017, (\$129,600) and associated ongoing non-personal/equipment funding of \$1,200 in the Planning Services section of the Permit Center through June 30, 2019. As part of the 2016-2017 Adopted Operating Budget, the limit-dated position was approved to support increased development activity in the Permit Center. Currently in the Permit Center, there is one permanent Planner IV and one limit-dated Planner IV. Both Planner IV's supervise a total of 8.0 Planner I/II/III and 1.0 Permit Specialist positions. The Planner IV positions share in managing and supervising the Permit Center planner staff, focus on improving services, and provide a high level of assistance on complex projects. The Permit Center is a fast paced environment that requires on the spot decisions on complex inquiries and higher level oversight on legal non-conforming verifications, administrative permit reviews comprising adjustments, single family house permits, dead tree removal permits, unsuitable tree removal permits, and conformance plan review. Due to an anticipated continued high demand for Permit Center activities for the next two years, a Planner IV is needed to balance supervision and work assignments, be a resource for review recommendations, and align service expectations and practices to ensure project completion. (Ongoing costs: \$130,783)

Planning, Building and Code Enforcement Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2017-2018 Adopted Budget Changes	Positions	All Funds (\$)	General Fund (\$)
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1. Planning Development Fee Program

- **Integrated Permit System-Revenue Process Redesign:** This action adds one-time funding of \$50,000 (funded 50% by Building Development Fee Program, 25% by Planning Development Fee Program, and 25% by Code Enforcement Fees) for a temporary analytical position to support daily operations while an experienced staff person works on revenue process changes identified in a recent City of San José Development Services Cost Recovery Analysis and Process Improvement Study (\$50,000, Planning Development Fee Program's portion: \$12,500). One outcome of the study was the need to revise the City's approach to recognizing development fee revenue and the refund process. To be consistent with generally accepted accounting practices, development fee revenue should be recognized when it is earned as opposed to the current practice of recognizing all revenue when the fees are collected. To make the change, an experienced staff person will work with subject-matter-experts in the Planning and Building processes to develop milestones to recognize collected fees as earned revenue and incorporate the established milestones as part of the Integrated Permit System (IPS) upgrade project. A temporary position will provide the staffing required to support the daily analytical functions of the department and allow experienced staff to redesign the revenue recognition process and ensure success of the high priority IPS upgrade project. (Ongoing costs: \$0)
- **Alternative Pension Reform Measure F Implementation:** This action increases the Planning Development Fee Program's Personal Services appropriation to account for additional retirement costs associated with the implementation of the Alternative Pension Reform Framework Settlement Agreement and the corresponding ballot measure, also known as Measure F, which was approved by the voters in November 2016. In 2015, the City entered into Alternative Pension Reform Framework Agreements with the eleven (11) bargaining units that represent City employees. The changes impact Tier 2 employees in the Federated City Employees' Retirement System and the Police and Fire Department Retirement Plan. As part of these Agreements, the City and the bargaining units agreed to enhance the Tier 2 pension benefits so that Tier 2 would be comparable to the CalPERS benefits at surrounding agencies. These revised pension benefits will assist with the recruitment and retention of City employees by making the City more competitive with other public agencies. The revised pension benefit structures have resulted in increased pension contribution rate costs for the City and employees. In addition, the revised pension contribution rates contain the unfunded liability associated with enhancing the Tier 2 benefit retroactively as each current employee's Tier 2 pension will be changed to the new formula retroactive to their date of hire. This cost is split on a 50/50 basis between the City and the Tier 2 employees. The Boards for the Federated City Employees Retirement System and the Police and Fire Department Retirement Plan approved the revised pension contribution rates factoring in Measure F on May 18, 2017 and June 1, 2017. (Ongoing costs: \$28,575)

Planning, Building and Code Enforcement Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2017-2018 Adopted Budget Changes	Positions	All Funds (\$)	General Fund (\$)
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1. Planning Development Fee Program

- **Document Imaging Technology Staffing:** This action adds 1.0 Supervising Applications Analyst position, effective September 1, 2017, and associated ongoing non-personal/equipment funding of \$14,698 (total of \$122,482 funded 70% by Building Development Fee Program, 12% by Planning Development Fee Program, 12% by Fire Development Fee Program, 6% by Public Works Development Fee Program) to support Development Services document imaging technology projects. The Imaging and Support Team uses multiple systems and software programs to input, store, and retrieve documents. The position will provide the needed management and coordination to complete the conversion to a new electronic content management system. Following the conversion, the position will maintain and coordinate continuous improvements to the imaging system, and establish process and procedures to seamlessly integrate electronic documents provided to the City by the outside scanning vendor or by customers using electronic plan review. In addition, this position will assist with assimilating data to and from the new Integrated Permitting System and assist management in evaluating process improvements such as cloud storage, bar coding, disaster recovery planning, as well as the most effective way to download and view vendor and customer provided documents. (Ongoing costs: \$145,129, Planning Development Fee Program's portion: \$17,415)

While not reflected in this section of the document, other additions partially funded by the Planning Development Fee Program include the following:

- **Information Technology Department Staff Realignment:** This action eliminates 1.0 Information Systems Analyst (total savings: \$144,071, Public Works Development Fee Program's portion: \$4,320) funded in part by the General Fund Development Fee Programs. The addition of the Information Systems Analyst was intended to support city-wide technology upgrades, including Virtual Desktop Infrastructure (VDI) and operating system upgrade to Windows 10. With an anticipated reduction in the scope of both projects, the Information Systems Analyst is no longer needed. (Ongoing savings: \$4,320)

Planning Development Fee Program Reserve: An increase to the Reserve of \$823,000 (from \$575,000 to \$1.4 million) is included as a result of the actions contained in this Adopted Operating Budget. It is important to note that while the included budget actions result in an increase of \$823,000 to the reserve, the 2017-2018 base level of revenues and expenditures necessitated the use of approximately \$1.7 million of this reserve, resulting in a Base Budget decrease from \$2.3 million to \$575,000. Additionally, based on a recent City of San José Development Services Cost Recovery Analysis and Process Improvement Study, in order to maintain full cost recovery for the Planning Development Fee Program an increase to permit fees was approved, as included in the 2017-2018 Fees and Charges document, and will result in an increase in revenue of \$3,230,000. The revenue from these adjustments to the fees is discussed in more detail in the General Fund Revenue section of this document.

Planning, Building and Code Enforcement Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2017-2018 Adopted Budget Changes	Positions	All Funds (\$)	General Fund (\$)
2. Urban Village Planning Staffing	1.00	474,590	474,590

*Community and Economic Development CSA
Long Range Land Use Planning Core Service
Long Range Planning Program*

This action continues 1.0 Planner III, effective July 1, 2017 to June 30, 2018, (\$111,600) and adds one-time funding for consultant services (\$363,000) for the development of additional urban village plans. The concept of urban villages was established in the Envision San José 2040 General Plan that was adopted in 2011. The policy intends to create a framework that directs sustainable job and housing growth within walkable and bike-friendly areas that have good access to transit and other infrastructure and facilities. Urban Village staff currently consists of a permanent Planner IV, Planner III, and a limit dated Planner III, which expired on June 30, 2017. In 2016-2017, this team completed grant funded work for the West San Carlos and South Bascom Urban Village resulting in draft Plans, which will soon be presented to the City Council for adoption. The Alameda Urban Village Plan was completed and adopted by the City Council in December 2016. This position continuation is funded by a Metropolitan Transportation Commission (MTC) grant that expires in May 2018. Another MTC grant for urban villages is in the process of being executed and will cover this position's expenses for one more month, through June 2018. (Ongoing costs: \$0)

3. Greenhouse Gas Reduction Strategy Update		375,000	375,000
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*Community and Economic Development CSA
Long Range Land Use Planning Core Service
Long Range Planning Program*

This action adds one-time funding of \$375,000 for consultant services to update the Greenhouse Gas (GHG) Reduction Strategy. The update process, which is anticipated to take eighteen months, is required by the State of California to be completed by 2020. The City of San José adopted a GHG Reduction Strategy in conjunction with the Envision San José 2040 General Plan Update consistent with the implementation requirements of Assembly Bill 32 (AB32), the Global Warming Solutions Act of 2006. AB32 requires the State of California as a whole to reduce GHG emissions to 1990 levels by the year 2020, and this funding will ensure the City will be in compliance with this mandate. The Strategy was adopted by the City Council as an appendix to the Envision Plan on November 1, 2011. This action is supported by existing funds in the General Plan Update Reserve from 2016-2017. (Ongoing costs: \$0)

Planning, Building and Code Enforcement Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2017-2018 Adopted Budget Changes	Positions	All Funds (\$)	General Fund (\$)
4. Business Permit Process Improvement Bootcamp		200,000	200,000

*Community and Economic Development CSA
Development Plan Review and Building Construction Inspection Core Service
Building Development Services and Planning Development Services Programs*

As directed in the Mayor's March Budget Message for 2017-2018, as approved by the City Council, this action adds \$200,000 of one-time non-personal/equipment funding to develop a process-improvement bootcamp that provides immediate and continuous improvements to the City's development permitting process. This bootcamp will build on the recent positive steps of expanding the Small Business Ally program and implementation of the on-line permit issuance for restaurants. Targets for quantifiable process improvements will be developed, with a focus on reducing permitting delays. This addition is supported by a transfer from the General Purpose Parking Fund. (Ongoing costs: \$0)

5. San José Regional Transportation Hub Project- Planning Staffing	1.00	150,000	150,000
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*Community and Economic Development CSA
Long Range Land Use Planning Core Service
Long Range Planning Program*

This action adds 1.0 Principal Planner position, effective July 1, 2017, (\$144,900) and associated ongoing non-personal/equipment funding (\$5,100) to support the planning needs for the following projects: Diridon Station Area Plan Implementation, High Speed Rail (HSR), BART Phase II, and the Airport People Mover. The combined projects have the potential to dramatically transform Downtown San José, the City's long-term economic prospects, and mobility across the City and region. The Principal Planner position will focus on design guidelines, standards, and zoning for the Diridon Station area, refining items including land use, urban design, and parking guidelines. Additionally, the position will make needed changes to General Plan policies, various codes, and be identified as the Planning Division's point of contact responsible for issues related to the projects. A grant that was awarded in July 2017 has been used to offset the cost of the position in 2017-2018. (Ongoing costs: \$121,254)

Planning, Building and Code Enforcement Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2017-2018 Adopted Budget Changes	Positions	All Funds (\$)	General Fund (\$)
6. Policy and Ordinance Support Staffing		150,000	150,000

*Community and Economic Development CSA
Long Range Land Use Planning Core Service
Long Range Planning Program*

This action adds one-time funding of \$150,000 for temporary staffing assistance for the Planning Division's Policy and Ordinance Team to help research and draft proposed changes to land use regulations in the San José Municipal Code and land use policy documents, in order to facilitate the implementation of action items identified in the Envision San José 2040 General Plan and economic development. In addition, the funds will be used to draft proposed code and policy changes, such as those identified in the work program of the General Plan's Housing Element (as certified by the State), the phases of the Council-adopted Sign Code Update strategy adopted by Council in 2010 as part of the Comprehensive Sign Code Update, and various Council-directed policy priorities, including electronic billboards, simplifying the application process for legal, nonconforming uses, Urban Village financing, and streamlining the permit process for sale of alcohol at grocery stores. (Ongoing costs: \$0)

7. Building Code Compliance Staffing	1.00	137,467	137,467
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*Neighborhood Services CSA
Community Code Enforcement Core Service
Community Code Enforcement Program*

This action adds 1.0 Building Inspector Combination Certified position, effective September 1, 2017, (\$97,700) and associated non-personal/equipment funding (total of \$39,800; \$30,000 one-time, including vehicle, \$9,800 ongoing) to the Code Enforcement Division in order to ensure building code compliance. This dedicated position would replace the current Building Inspector from the Building Division that assumes this role, as resources allow. On a complaint-driven basis, the Building Inspector will inspect the subject property to confirm if there has been construction work performed without permits, conduct research on the structure's permit history, meet with the property owner to explain procedures for achieving compliance, and review and assist with plan set review and approval of the scope of work for the submittal process and permit. Most of the cases involve residential structures that have been altered and are currently occupied, potentially creating a safety issue for the residents living in them. The Building Inspector will then work with property owners to ensure that all unpermitted work is addressed on the plan submitted prior to permit issuance. The cost of this action will be funded by revenues from the Building Code Compliance fee charged to property owners who are required to address unpermitted construction, and is described in the General Fund Revenues section of this document and the 2017-2018 Fees and Charges Report. (Ongoing costs: \$124,501)

Planning, Building and Code Enforcement Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2017-2018 Adopted Budget Changes	Positions	All Funds (\$)	General Fund (\$)
8. Housing Projects Environmental Review Staffing	1.00	122,778	0

Community and Economic Development CSA
Planning Environmental Review and Historic Preservation Program

This action adds 1.0 Planner III effective, July 1, 2017 through June 30, 2019, and associated one-time non-personal/equipment funding of \$2,100 dedicated to environmental review of Housing Department projects. Because the Housing Department continues to have a number of upcoming projects that will need environmental review, this position is needed for two additional years to review and prepare federal and State documents (e.g. HUD Clearance Forms and NEPA and CEQA review) based on the analysis of potential environmental impacts of new housing projects as well as be responsible for the analysis and review of technical reports prepared by environmental consultants, research of regulatory and technical issues and other analytical work, and management of environmental consultant work. This position will be funded by the Low and Moderate Income Housing Asset Fund and Community Development Block Grant Fund. (Ongoing costs: \$128,628)

9. Massage Parlor Permit Enforcement Staffing	1.00	119,569	119,569
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Neighborhood Services CSA
Community Code Enforcement Core Service
Community Code Enforcement Program

This action adds 1.0 Code Enforcement Inspector, effective September 1, 2017, (\$79,800) and associated non-personal/equipment funding (total of \$39,800; \$30,000 one-time, including vehicle, \$9,800 ongoing) for inspection and enforcement services in support of the expanded Massage Parlor Permit and Regulation Program. There are over 300 known unpermitted massage parlors in the City of San José. The Code Enforcement Inspector will assist the Police Department's Vice Unit with ensuring that non-permitted massage parlor businesses either obtain the proper permits from the Police Department (or cease their operation) and conduct inspections of permitted massage parlors to ensure compliance with State and local regulations. The cost of this position will be funded by the Massage Parlor Permit fee, and in the first year, anticipated fine revenue from businesses that do not either obtain the proper permits or cease operations as described in the General Fund Revenues section of this document. (Ongoing costs: \$104,636)

Planning, Building and Code Enforcement Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2017-2018 Adopted Budget Changes	Positions	All Funds (\$)	General Fund (\$)
10. Integrated Permit System-Code Enforcement Support	1.00	112,277	112,277

***Neighborhood Services CSA
Strategic Support – Neighborhood Services Core Service
PBCE Information Technology Program***

This action adds 1.0 Code Enforcement Supervisor, effective August 1, 2017 through June 30, 2019, and associated ongoing non-personal/equipment funding of \$11,500 to support daily operations while an experienced staff person assists with the Integrated Permit System (IPS) upgrade project. The IPS (AMANDA) is used by all Development Services Partners (Building, Planning, Fire, and Public Works) and Code Enforcement, along with other departments (Environmental Services and Transportation) in the City. Code Enforcement fee programs using the current version of AMANDA include Multiple Housing, Tobacco Retail License, Off-Sale Alcohol, and Solid Waste Enforcement. Experienced staff are needed to support the design, testing, training, and successful transition to the new permitting and case management systems. This position will provide the staffing required to support the critical tasks for daily Code Enforcement operations, especially health and safety issues, and allow experienced staff to focus on the progress and ensure success of the high priority IPS upgrade project. The cost of this position will be funded by the Code Enforcement fee programs. (Ongoing costs: \$115,843)

11. Wastewater Treatment Plant Projects Environmental Review	1.00	101,370	0
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***Community and Economic Development CSA
Long Range Land Use Planning Core Service
Planning Environmental Review and Historic Preservation Program***

This action continues 1.0 Planner II, effective July 1, 2017 through June 30, 2019, and associated one-time non-personal/equipment funding of \$1,200 within the Environmental Review Unit of the Planning Division. This position will be funded by various Environmental Services Department capital projects that require CEQA review. This position will work on preparing/reviewing environmental analyses (e.g. noise reports, air quality assessments, and historic resource reports) for public projects; coordinate with consultants on the preparation of adequate environmental documents and standard review timelines to complete the process; and serve as a liaison to certain departments to help with the preparation of environmental clearances, review of correct CEQA references for City Council memos, and/or provide direction on project design to comply with CEQA. (Ongoing costs: \$100,152)

Planning, Building and Code Enforcement Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2017-2018 Adopted Budget Changes	Positions	All Funds (\$)	General Fund (\$)
12. Historic Preservations Guidelines Update		100,000	100,000

*Community and Economic Development CSA
Long Range Land Use Planning Core Service
Planning Environmental Review and Historic Preservation Program*

This action provides matching funds of \$100,000 to support a Knight Foundation grant to update and refine the existing Citywide Urban Design Guidelines and Historic Preservation Guidelines, including the Residential, Commercial and Industrial Design Guidelines, Downtown San Jose Historic District and Saint James Square Historic District Design Guidelines. These guidelines were created in 1990 and have had few updates, which do not reflect contemporary building types or best practices and often provide design direction that is inconsistent with the urban and pedestrian-oriented vision for San José, as set for the General Plan. There is significant interest among City staff and a variety of external partners to set the stage for an Urban Design Agenda that effects quality design and enhanced public realm and public life experiences. This one-time funding will allow for consultant support in conducting surveys and updating additional historic guidelines along with a City staff to manage the project. (Ongoing costs: \$0)

13. Fire and Public Works Development Fee Programs and Other Fee Programs	0.18	55,579	55,579
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*Community and Economic Development CSA
Strategic Support Core Service
PBCE Information Technology Program*

*Neighborhood Services CSA
Strategic Support Core Service
PBCE Information Technology Program*

This section includes actions funded by other Fee Programs in the Planning, Building and Code Enforcement Department or actions administered by the Planning, Building and Code Enforcement Department, but are funded by other development fee programs.

Planning, Building and Code Enforcement Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2017-2018 Adopted Budget Changes	Positions	All Funds (\$)	General Fund (\$)
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13. Fire and Public Works Development Fee Programs and Other Fee Programs

- **Document Imaging Technology Support:** This action adds 1.0 Supervising Applications Analyst position, effective September 1, 2017, and associated ongoing non-personal/equipment funding of \$22,047 (funded 70% by Building Development Fee Program, 12% by Planning Development Fee Program, 12% by Fire Development Fee Program, 6% by Public Works Development Fee Program) to support Development Services document imaging technology projects (\$122,482, Fire Development Fee Program's portion: \$14,698, Public Works Development Fee Program's portion: \$7,349) . The Imaging and Support Team uses multiple systems and software programs to input, store, and retrieve documents. The position will provide the needed management and coordination to complete the conversion to a new electronic content management system. Following the conversion, the position will maintain and coordinate continuous improvements to the imaging system, and establish process and procedures to seamlessly integrate electronic documents provided to the City by the outside scanning vendor or by customers using electronic plan review. In addition, this position will assist with assimilating data to and from the new Integrated Permitting System and assist management in evaluating process improvements such as cloud storage, bar coding, disaster recovery planning, as well as the most effective way to download and view vendor and customer provided documents. (Ongoing costs: \$145,129, Fire Development Fee Program's portion: \$17,415, Public Works Development Fee Program's portion: \$8,708)

- **Integrated Permit System-Revenue Process Redesign:** This action adds one-time funding of \$50,000 (funded 50% by Building Development Fee Program, 25% by Planning Development Fee Program, and 25% by Code Enforcement Fees) for a temporary analytical position to support daily operations while an experienced staff person works on revenue process changes identified in a recent City of San José Development Services Cost Recovery Analysis and Process Improvement Study (\$50,000, Code Enforcement Fee Program's portion: \$12,500). One outcome of the study was the need to revise the City's approach to recognizing development fee revenue and the refund process. To be consistent with generally accepted accounting practices, development fee revenue should be recognized when it is earned as opposed to the current practice of recognizing all revenue when the fees are collected. To make the change, an experienced staff person will work with subject-matter-experts in the Planning and Building processes to develop milestones to recognize collected fees as earned revenue and incorporate the established milestones as part of the Integrated Permit System (IPS) upgrade project. A temporary position will provide the staffing required to support the daily analytical functions of the department and allow experienced staff to redesign the revenue recognition process and ensure success of the high priority IPS upgrade project. (Ongoing costs: \$0)

Planning, Building and Code Enforcement Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2017-2018 Adopted Budget Changes	Positions	All Funds (\$)	General Fund (\$)
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13. Fire and Public Works Development Fee Programs and Other Fee Programs

- **Alternative Pension Reform Measure F Implementation:** This action increases the Personal Services appropriations in various Planning, Building and Code Enforcement Fee Programs to account for additional retirement costs associated with the implementation of the Alternative Pension Reform Framework Settlement Agreement and the corresponding ballot measure, also known as Measure F, which was approved by the voters in November 2016. In 2015, the City entered into Alternative Pension Reform Framework Agreements with the eleven (11) bargaining units that represent City employees. The changes impact Tier 2 employees in the Federated City Employees' Retirement System and the Police and Fire Department Retirement Plan. As part of these Agreements, the City and the bargaining units agreed to enhance the Tier 2 pension benefits so that Tier 2 would be comparable to the CalPERS benefits at surrounding agencies. These revised pension benefits will assist with the recruitment and retention of City employees by making the City more competitive with other public agencies. The revised pension benefit structures have resulted in increased pension contribution rate costs for the City and employees. In addition, the revised pension contribution rates contain the unfunded liability associated with enhancing the Tier 2 benefit retroactively as each current employee's Tier 2 pension will be changed to the new formula retroactive to their date of hire. This cost is split on a 50/50 basis between the City and the Tier 2 employees. The Boards for the Federated City Employees Retirement System and the Police and Fire Department Retirement Plan approved the revised pension contribution rates factoring in Measure F on May 18, 2017 and June 1, 2017. (Ongoing costs: \$17,963)

Planning, Building and Code Enforcement Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2017-2018 Adopted Budget Changes	Positions	All Funds (\$)	General Fund (\$)
<p>14. Alternative Pension Reform Measure F Implementation</p> <p><i>Community and Economic Development CSA Neighborhood Services CSA Core Service: Department-Wide Program: Department-Wide</i></p> <p>This action increases the Personal Services appropriation in various funds to account for additional retirement costs associated with the implementation of the Alternative Pension Reform Framework Settlement Agreement and the corresponding ballot measure, also known as Measure F, which was approved by the voters in November 2016. In 2015, the City entered into Alternative Pension Reform Framework Agreements with the eleven (11) bargaining units that represent City employees. The changes impact Tier 2 employees in the Federated City Employees' Retirement System and the Police and Fire Department Retirement Plan. As part of these Agreements, the City and the bargaining units agreed to enhance the Tier 2 pension benefits so that Tier 2 would be comparable to the CalPERS benefits at surrounding agencies. These revised pension benefits will assist with the recruitment and retention of City employees by making the City more competitive with other public agencies. The revised pension benefit structures have resulted in increased pension contribution rate costs for the City and employees. In addition, the revised pension contribution rates contain the unfunded liability associated with enhancing the Tier 2 benefit retroactively as each current employee's Tier 2 pension will be changed to the new formula retroactive to their date of hire. This cost is split on a 50/50 basis between the City and the Tier 2 employees. The Boards for the Federated City Employees Retirement System and the Police and Fire Department Retirement Plan approved the revised pension contribution rates factoring in Measure F on May 18, 2017 and June 1, 2017. (Ongoing costs: \$30,060)</p>		30,060	25,250
<p>15. Neighborhood Clean-Up Program Phase-Out</p> <p><i>Neighborhood Services CSA Community Code Enforcement Core Service Community Code Enforcement Program</i></p> <p>This action phases out the Neighborhood Clean-Up Program, effective January 1, 2018, in the Integrated Waste Management Fund and includes the elimination of 8.0 Regional Park Aide PT and 3.0 Code Enforcement Inspector positions. Because participation and tons collected at city-wide Neighborhood Clean-Up Program events, which only occurred in each neighborhood once every three years, have been declining in recent years, as described in the Environmental Services Department (ESD) section of this document, the shifting of resources to allow for unlimited curbside junk pick-up is expected to result in more effective and efficient collection of unwanted items, and it is anticipated that allowing more individual junk pick-ups will decrease illegal dumping throughout the City. Additionally, also described in the ESD section, the ongoing addition of Beautify SJ Days clean-up events that were added in 2016-2017 have been shown to be a popular and more effective use of funding for the City's beautification efforts. (Ongoing savings: \$1,050,308)</p>	(11.00)	(525,154)	0

Planning, Building and Code Enforcement Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2017-2018 Adopted Budget Changes	Positions	All Funds (\$)	General Fund (\$)
16. Building Development Fee Program	(5.30)	(693,338)	(693,338)

*Community and Economic Development CSA
Development Plan Review and Building Construction Inspection Core Service
Strategic Support Core Service
Building Development Services and PBCE Information Technology Programs*

The actions included in this section, funded by fee activity and the use of reserves, support the Building Development Fee Program.

- **Planning Staff Realignment:** This action shifts 6.0 Planner (5.14 Planner II and .86 Planner III) positions (\$979,300) from being funded by Building Fees to Planning Fees to properly align costs with revenues. Based on a recent City of San José Development Services Cost Recovery Analysis and Process Improvement Study, capturing the costs of these positions that review building plans during the plan check process to ensure they meet City planning requirements is better aligned to the Planning Development Fee Program rather than the Building Development Fee Program. (Ongoing savings: \$994,982)

- **Alternative Pension Reform Measure F Implementation:** This action increases the Building Development Fee Program’s Personal Services appropriation to account for additional retirement costs associated with the implementation of the Alternative Pension Reform Framework Settlement Agreement and the corresponding ballot measure, also known as Measure F, which was approved by the voters in November 2016. In 2015, the City entered into Alternative Pension Reform Framework Agreements with the eleven (11) bargaining units that represent City employees. The changes impact Tier 2 employees in the Federated City Employees’ Retirement System and the Police and Fire Department Retirement Plan. As part of these Agreements, the City and the bargaining units agreed to enhance the Tier 2 pension benefits so that Tier 2 would be comparable to the CalPERS benefits at surrounding agencies. These revised pension benefits will assist with the recruitment and retention of City employees by making the City more competitive with other public agencies. The revised pension benefit structures have resulted in increased pension contribution rate costs for the City and employees. In addition, the revised pension contribution rates contain the unfunded liability associated with enhancing the Tier 2 benefit retroactively as each current employee’s Tier 2 pension will be changed to the new formula retroactive to their date of hire. This cost is split on a 50/50 basis between the City and the Tier 2 employees. The Boards for the Federated City Employees Retirement System and the Police and Fire Department Retirement Plan approved the revised pension contribution rates factoring in Measure F on May 18, 2017 and June 1, 2017. (Ongoing costs: \$100,240)

Planning, Building and Code Enforcement Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2017-2018 Adopted Budget Changes	Positions	All Funds (\$)	General Fund (\$)
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16. Building Development Fee Program

- **Document Imaging Technology Support Staffing:** This action adds 1.0 Supervising Applications Analyst position, starting September 2017, and associated ongoing non-personal/equipment funding of \$2,600 (funded 70% by Building Development Fee Program, 12% by Planning Development Fee Program, 12% by Fire Development Fee Program, 6% by Public Works Development Fee Program) to support Development Services document imaging technology projects (\$122,482, Building Development Fee Program's portion: \$85,737). The Imaging and Support Team uses multiple systems and software programs to input, store, and retrieve documents. The position will provide the needed management and coordination to complete the conversion to a new electronic content management system. Following the conversion, the position will maintain and coordinate continuous improvements to the imaging system, and establish process and procedures to seamlessly integrate electronic documents provided to the City by the outside scanning vendor or by customers using electronic plan review. In addition, this position will assist with assimilating data to and from the new Integrated Permitting System and assist management in evaluating process improvements such as cloud storage, bar coding, disaster recovery planning, as well as the most effective way to download and view vendor and customer provided documents. (Ongoing costs: \$145,129, Building Development Fee Program's portion: \$101,590)
- **Building Inspector Mobile Devices:** This action provides one-time funding to purchase tablet computers for Building Inspectors in the field (\$75,000). The Building Inspectors who work in the field currently do not have their own desktop computers, and they only have email access through their phones and a small group of shared computers. A tablet will enable inspectors to access email and the City network so they can access plans, permits, and inspection reports as well as review Code Enforcement files and violation information throughout the day. The one-time funding will provide for the purchase of 75 tablets plus a data plan for each tablet that will provide live Internet access. Eventually the tablets will be used to record all inspections directly into the inspection database. Each inspector will be equipped with all the same information in the field that they have at their desktop, enabling them to do their job more effectively and efficiently, and will be the first step in recording inspection results in real time from the field. (Ongoing costs: \$0)
- **Integrated Permit System-Revenue Process Redesign:** This action adds one-time funding of \$50,000 (funded 50% by Building Development Fee Program, 25% by Planning Development Fee Program, and 25% by Code Enforcement Fees) for a temporary analytical position to support daily operations while an experienced staff person works on revenue process changes identified in a recent City of San José Development Services Cost Recovery Analysis and Process Improvement Study (\$50,000, Building Development Fee Program's portion: \$25,000). One outcome of the study was the need to revise the City's approach to recognizing development fee revenue and the refund process. To be consistent with generally accepted accounting practices, development fee revenue should be recognized when it is earned as opposed to the current practice of recognizing all revenue when the fees are collected. To make the change, an experienced staff person will work with subject-matter-experts in the Planning and Building processes to develop milestones to recognize collected fees as earned revenue and incorporate the established milestones as part of the Integrated Permit System (IPS) upgrade project. A temporary position will provide the staffing required to support the daily analytical functions of the department and allow experienced staff to redesign the revenue recognition process and ensure success of the high priority IPS upgrade project. (Ongoing costs: \$0)

Planning, Building and Code Enforcement Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2017-2018 Adopted Budget Changes	Positions	All Funds (\$)	General Fund (\$)
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16. Building Development Fee Program

While not reflected in this section of the document, other additions partially funded by the Building Development Fee Program include the following:

- **Information Technology Department Staff Realignment:** This action eliminates 1.0 Information Systems Analyst (total savings: \$144,071, Public Works Development Fee Program's portion: \$11,521) funded in part by the General Fund Development Fee Programs. The addition of the Information Systems Analyst was intended to support city-wide technology upgrades, including Virtual Desktop Infrastructure (VDI) and operating system upgrade to Windows 10. With an anticipated reduction in the scope of both projects, the Information Systems Analyst is no longer needed. (Ongoing savings: \$11,521)

Building Development Fee Program Reserve: An increase to the Reserve of \$4.9 million (from \$13.2 million to \$18.1 million) is included as a result of the actions contained in this Adopted Operating Budget. It is important to note that while the included budget actions result in an increase of \$4.9 million to the reserve, the 2017-2018 base level of revenues and expenditures necessitated the use of approximately \$9.2 million of this reserve, resulting in a Base Budget decrease from \$22.4 million to \$13.2 million. Additionally, based on a recent City of San José Development Services Cost Recovery Analysis and Process Improvement Study, in order to maintain full cost recovery for the Building Development Fee Program an increase to permit fees was approved, as included in the 2017-2018 Fees and Charges document, and will result in an increase in revenue of \$4.0 million. The revenue from these adjustments to the fees is discussed in more detail in the General Fund Revenue section of this document.

17. Rebudget: North San José Area Development Policy And Environmental Impact Report	240,194	240,194
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***Community and Economic Development CSA
Long Range Land Use Planning Core Service
Long Range Planning***

This action rebudgets unexpended 2016-2017 non-personal/equipment funding of \$240,194 to continue the North San José Area Development Policy update process, anticipated to be completed in 2017-2018. At its meeting on June 9, 2014, the City Council directed staff to 1) develop a short-term solution to allow additional industrial capacity in Phase 1 and a long-term plan to modify the Policy and Environmental Impact Report to: align the Policy with the City's General Plan Transportation Goals of maximizing the use of multi-modal opportunities (e.g., light rail, BART, bicycling) to reduce traffic impacts; 2) identify appropriate areas for residential, industrial, commercial, or mixed use opportunities in North San José to create a quality community; 3) restructure the environmental mitigation package in the near-term to reflect impacts of early development phases; and 4) redefine funding obligations and/or restructure the Traffic Impact Fee. (Ongoing costs: \$0)

Planning, Building and Code Enforcement Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2017-2018 Adopted Budget Changes	Positions	All Funds (\$)	General Fund (\$)
<p>18. Rebudget: Medical Marijuana Program CEQA Review</p> <p><i>Community and Economic Development CSA Long Range Land Use Planning Core Service Planning Environmental Review and Historic Preservation Program</i></p> <p>This action rebudgets funding for a temporary Planner III position to work on preparing and reviewing environmental analyses (i.e. Initial Studies and odor reports) for Municipal Code amendments associated with expanding medical marijuana operations in the City and consultant services for the preparation of the necessary environmental documents. The contract Planner III will also serve as a liaison to other departments and facilitate forums for public engagement on the CEQA review of the proposed Municipal Code changes. On March 29, 2016, the City Council directed staff to bring forward amendments to the Municipal Code that would expand where and how medical marijuana could be grown and dispensed in the City of San José and transported to the City from other areas in the State of California. In order to bring a draft ordinance to the City Council for its consideration for adoption, the project must complete the process for environmental clearance under CEQA. (Ongoing costs: \$0)</p>		222,000	222,000
<p>19. Rebudget: Urban Village Master Planning</p> <p><i>Community and Economic Development CSA Long Range Land Use Planning Core Service Long Range Planning</i></p> <p>This action rebudgets unexpended 2016-2017 non-personal/equipment funding of \$170,575 for consultant services to conduct a comprehensive review of the Envision San José 2040 to evaluate the City's progress towards the achievement of key economic, fiscal, infrastructure and housing goals, and to evaluate changes and trends in land use and development. Funds will continue to support and provide opportunity to identify course corrections or modifications to successfully implement the major strategies and goals of the General Plan which focuses on Urban Design, Environmental Review, Community Outreach and Urban Village Plans. (Ongoing costs: \$0)</p>		170,575	170,575
<p>20. Rebudget: Multiple Housing Code Permit System</p> <p><i>Neighborhood Services CSA Community Code Enforcement Core Service Multiple Housing Code Enforcement</i></p> <p>This action rebudgets unexpended 2016-2017 non-personal/equipment funding of \$110,000 for programming services to begin the migration of the Code Enforcement (case) System (CES), in the Multiple Housing Code Fee Program for a new permitting system. Moving CES to an enhanced permitting system will allow for a more efficient program and will better maintain Code Enforcement information. (Ongoing costs: \$0)</p>		110,000	110,000

Planning, Building and Code Enforcement Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2017-2018 Adopted Budget Changes	Positions	All Funds (\$)	General Fund (\$)
21. Rebudget: Policy and Ordinance Assistance		110,000	110,000

*Community and Economic Development CSA
Long Range Land Use Planning Core Service
Long Range Planning*

This action rebudgets unexpended 2016-2017 non-personal/equipment funding of \$110,000 that is in addition to the one-time funding of \$150,000 added as part of the 2017-2018 Adopted Operating Budget for temporary staffing assistance for the Planning Division’s Policy and Ordinance Team to help research and draft proposed changes to land use regulations in the San José Municipal Code and land use policy documents, in order to facilitate the implementation of action items identified in the Envision San José 2040 General Plan and economic development. In addition, the funds will be used to draft proposed code and policy changes, such as those identified in the work program of the General Plan’s Housing Element (as certified by the State), the phases of the Council-adopted Sign Code Update strategy adopted by Council in 2010 as part of the Comprehensive Sign Code Update, and various Council-directed policy priorities, including electronic billboards, simplifying the application process for legal, nonconforming uses, Urban Village financing, and streamlining the permit process for sale of alcohol at grocery stores. (Ongoing costs: \$0)

22. Rebudget: Update Downtown Environmental Impact Report		99,000	99,000
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*Community and Economic Development CSA
Long Range Land Use Planning Core Service
Planning Environmental Review and Historic Preservation Program*

This action rebudgets unexpended 2016-2017 non-personal/equipment funding of \$99,000 for consultant and other contractual services funding to update the Downtown San José Environmental Impact Report (EIR). The consultants provide specialized legal consultation and prepare environmental analysis, including traffic studies, noise reports, and air qualities assessments to update the Downtown Strategy 2000. The goal is to complete the update before new projects approach the development capacities that exist under the current EIR. Without an updated EIR, development beyond the current capacity will not be allowed to proceed, and projects will need to complete individual EIR’s to receive the necessary approval. (Ongoing costs: \$0)

Planning, Building and Code Enforcement Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2017-2018 Adopted Budget Changes	Positions	All Funds (\$)	General Fund (\$)
<p>23. Rebudget: Code Inspector Mobile Devices</p> <p><i>Neighborhood Services CSA Community Code Enforcement Core Service Community Code Enforcement Program Multiple Housing Code Enforcement</i></p> <p>This action rebudgets unexpended 2016-2017 non-personal/equipment funding of \$57,600 to purchase tablet computers for Code Enforcement Inspectors for field use with the ability to remotely run desktop software and perform research and updates to case files as well as communicate with other departments quickly and efficiently. Tablets are a tool that play an important role in the service delivery of Code Enforcement programs, allowing inspectors to take notes and conduct research on properties while in the field, which improves processing standards. The City Auditor's Report <i>Code Enforcement: Improvements are Possible, but Resources are Significantly Constrained</i> recommended improvements in technology in-house and in the field to improve accuracy and efficiency in case reporting and billing. Tablets will allow the inspector to take notes and issue warning notices while in the field. Ongoing data services will be covered under the existing plans. (Ongoing costs: \$0)</p>		57,600	57,600
<p>24. Rebudget: Building Code Adoption Training And Materials</p> <p><i>Community and Economic Development CSA Development Plan Review and Building Construction Inspection Core Service Building Development Services</i></p> <p>This action rebudgets unexpended 2016-2017 non-personal/equipment funding of \$25,000 for California Building Code Adoption training and materials. The State of California updates its Building Code every three years in accordance with the California Health and Safety Code. Municipalities are mandated by the State to adopt the Codes. San José adopted the 2016 California Building Standards (CBC) effective January 1, 2017. Code changes require training of all plan review, inspection, and counter staff as well as the purchase of new code books. The rebudgeted funds will provide for new code books for existing and newly hired staff. (Ongoing costs: \$0)</p>		25,000	25,000
<p>25. Rebudget: Metropolitan Transportation Commission Planning Grant</p> <p><i>Community and Economic Development CSA Long Range Land Use Planning Core Service Long Range Planning</i></p> <p>This action rebudgets unexpended 2016-2017 non-personal/equipment funding of \$14,127 for Urban Village Master Plan and Zoning Revisions for East Santa Clara Street and Alum Rock Avenue urban villages. This action is offset by a State of California Department of Conservation Sustainable Communities Planning Grant, which is reflected in the General Fund Revenue Estimates section of this document. (Ongoing costs: \$0)</p>		14,127	14,127

Planning, Building and Code Enforcement Department

Budget Changes By Department Personal Services and Non-Personal/Equipment








2017-2018 Adopted Budget Changes	Positions	All Funds (\$)	General Fund (\$)
26. Rebudget: Library Digital Files		8,300	8,300
<i>Community and Economic Development CSA Development Plan Review and Building Construction Inspection Core Service Planning Development Services</i>			
<p>This action rebudgets unexpended 2016-2017 non-personal/equipment funding of \$8,300 to convert hardcopy files in the Planning Division library to digital files. The Planning Division has thousands of important reference and historical documents stored on the 3rd floor of City Hall. Space is limited at City Hall, and these materials take up a large amount of space that could be used for staff. Materials are accessed by staff on a regular basis, therefore, cannot be sent to a warehouse. Once converted to the digital format, documents will be stored on the computer server for all staff to quickly access. (Ongoing costs: \$0)</p>			
27. Rebudget: Workspace Improvement Project		5,000	5,000
<i>Community and Economic Development CSA Long Range Land Use Planning Core Service Long Range Planning Planning Environmental Review and Historic Preservation Program</i>			
<p>This action rebudgets unexpended 2016-2017 non-personal/equipment funding of \$5,000 for the Workspace Improvement Project funded by the General Fund for the purpose of improving the ergonomics of Planning staff workstations. (Ongoing costs: \$0)</p>			
2017-2018 Adopted Budget Changes Total	6.00	4,070,433	4,366,629

Planning, Building and Code Enforcement Department

Performance Summary

Community Code Enforcement

Performance Measures

	2015-2016 Actual	2016-2017 Target	2016-2017 Estimated	2017-2018 Target
 % of neighborhoods in "good" or better condition, based on a city-wide survey	64%	70%	69%	70%
 % of violations resolved through voluntary compliance, based on complexity of case types	91%	92%	91%	92%
 Cost per violation for: - proactive enforcement ¹	\$274	\$260	\$268	\$268
- complaint-based enforcement	\$764	\$800	\$800	\$800
 % of violations resolved within estimated processing standards, based on type and complexity of violations	55%	65%	65%	65%
 % of annual fee-based inspections completed on schedule, including multi-year programs	23% ²	45%	30% ²	45%
 % of residents who feel their neighborhood is in the same or better condition compared to previous year (annual Code Enforcement survey)	N/A ³	70%	73%	70%
 % of customers who feel they received courteous treatment and timely service from their interaction with Code Enforcement staff	N/A ³	70%	63%	70%

¹ Proactive code enforcement services refer to Multiple Housing and Community Development Block Grant (CDBG)/Housing inspections. Currently, all Code Enforcement Inspectors that are CDBG-funded provide proactive and enhanced response to service requests.

² Continuous vacancies have occurred and recruitments are ongoing.

³ Data for this measure is collected through a survey conducted by Code Enforcement. The survey was not completed in 2015-2016 and actuals are not available. The survey was conducted in 2016-2017 with actuals to be included as part of the 2018-2019 budget.

Planning, Building and Code Enforcement Department

Performance Summary

Community Code Enforcement

Activity and Workload Highlights

	2015-2016 Actual	2016-2017 Forecast	2016-2017 Estimated	2017-2018 Forecast
Staff hours devoted to outreach/education/ prevention	220	200	250	250
# of multiple housing dwelling buildings proactively inspected	1,173	1,679	1,679	1,679
Neighborhood Clean-Ups	22	22	22	11 ¹
General Code Compliance Cases:				
Opened	6,047	5,100	5,100	5,200
Resolved	6,019	5,200	5,200	5,200
Multiple Housing Complaint Cases:				
Opened	442	480	420	480
Resolved	422	500	410	500
% of Violations Resolved:				
Warning	87%	88%	85%	88%
Citation	9%	7%	8%	7%
Compliance Order	4%	4%	6%	4%
Appeals Hearing Board/Litigation	1%	1%	1%	1%





¹ Neighborhood clean-ups for San José's neighborhoods will complete the calendar year schedule through December 2017, with program funds shifting to the Environmental Services Department to provide for the more effective and efficient unlimited curbside junk pick-up.

Planning, Building and Code Enforcement Department

Performance Summary

Development Plan Review & Building Construction Inspection

Performance Measures

	2015-2016 Actual	2016-2017 Target	2016-2017 Estimated	2017-2018 Target
 % of projects that receive consistent feedback from staff throughout the course of project review:				
- Planning Permit Plan Review	68%	70%	74%	70%
- Building Permit Plan Review	81%	80%	80%	80%
- Building Inspectors Consistent With Building Plan Check	77%	80%	79%	80%
- Building Inspectors Consistent Among Multiple Inspectors	69%	80%	70%	80%
 Ratio of current year fee revenue to development fee program cost (includes reserve funding)	100%	100%	100%	100%
 Development projects completed within processing time targets:				
Planning Permit Process	74%	85%	69%	85%
Building Plan Check Process	78%	85%	80%	85%
Building Inspection Process				
- within 24 hours	33% ¹	75%	30% ¹	75%
- within 48 hours	54% ¹	92%	47% ¹	90%
 % of process participants rating service "good" or better				
Planning Permit Process	67%	80%	69%	80%
Building Plan Check Process	75%	85%	78%	85%
Building Inspection Process	81%	85%	81%	85%

¹ While additional positions have been added in the past several years and some positions have been filled, vacancies still remain as a result of the continuous departure of existing staff and difficulties in filling the positions quickly with qualified candidates. The Administration continues to recruit for a wide range of development services positions.

Planning, Building and Code Enforcement Department

Performance Summary

Development Plan Review & Building Construction Inspection

Activity and Workload Highlights

	2015-2016 Actual	2016-2017 Forecast	2016-2017 Estimated	2017-2018 Forecast
# of building permits issued	36,751	34,000	41,000	40,000
# of customers served in Permit Center ¹	33,315	27,000	42,500	45,000
# of plan checks	8,300	8,000	9,000	8,200
# of field inspections	211,467	200,000	180,000	190,000
# of planning applications				
- Major	422	400	349	775
- Minor	909	750	1,212	1,400
# of planning adjustments	1,503	1,300	1,269	1,400




¹ As of October 2016, the Planning Division began counting customers served at the Assistance Desk (Reception), whereas the Building Division began counting these customers in February 2017.

Planning, Building and Code Enforcement Department

Performance Summary

Long Range Land Use Planning

Performance Measures

	2015-2016 Actual	2016-2017 Target	2016-2017 Estimated	2017-2018 Target
 % of special planning efforts completed within targeted cost: Specific/Area Policy Plans:	100%	100%	100%	100%
 % of special planning efforts completed within targeted time: Specific/Area Policy Plans:	100%	100%	100%	100%
 % of planning process participants rating service as "good" or "excellent"	N/A ¹	85%	N/A ¹	85%

¹ Data for this measure is collected through a survey conducted by Long-Range Planning. The survey was not conducted in 2015-2016 or 2016-2017.

Activity and Workload Highlights

	2015-2016 Actual	2016-2017 Forecast	2016-2017 Estimated	2017-2018 Forecast
# of Scheduled/Completed Specific/Area Policy Plans	0 of 10	7 of 10 ¹	1 of 9 ¹	6 of 8 ¹
# of planning policy studies	1	2 ²	3 ²	1
# of General Plan Amendments	11	15	17 ³	15

¹ In 2016-2017, the Alameda Urban Village Plan was adopted by the City Council. Three Urban Village Plans were adopted in August 2017 (Winchester, Santana Row/Valley Fair, and Stevens Creek). Three more Urban Village Plans are anticipated to be completed in 2017-2018 (East Santa Clara, West San Carlos, and South Bascom). Two Urban Village Plans, North 1st Street and Berryessa/BART, still need to be developed and are anticipated for completion in 2018-2019. A tenth Urban Village Plan, Blossom Hill/Snell, has been discontinued because initial development was conducted by in-kind consultant services, and these resources are no longer available to complete the Plan. Development of the other nine Urban Village Plans have been or will be funded using grant proceeds. The Roosevelt Park and Little Portugal Urban Village Plans were adopted several years ago and are currently in the implementation phase.

² The Downtown Strategy update is scheduled for completion by December 2017. A policy for Riparian Corridor Protection and Bird-Safe Design was completed in June 2016, while policy work for Urban Agriculture Incentive Zoning, Super Graphics and Secondary Dwelling Units was completed in the fall of 2016.

³ For the 2016-2017 General Plan annual review cycle, there were 17 text and land use amendments considered. For the 2017-2018 General Plan annual review cycle, it is anticipated that 15 private and City initiated land use amendments will be reviewed.

Planning, Building and Code Enforcement Department

Departmental Position Detail

Position	2016-2017 Adopted	2017-2018 Adopted	Change
Accountant II	1.00	1.00	-
Accounting Technician	1.00	1.00	-
Administrative Assistant	1.00	1.00	-
Administrative Officer	1.00	1.00	-
Analyst II	4.00	4.00	-
Assistant Director of Planning, Bldg and Code Enforcement	1.00	1.00	-
Associate Engineer	17.00	17.00	-
Building Inspection Manager	4.00	4.00	-
Building Inspector Combination Certified	1.00	2.00	1.00
Building Inspector Combination Certified I	59.00	58.00	(1.00)
Building Inspector Combination Certified II	1.00	2.00	1.00
Building Inspector Combination Certified III	1.00	1.00	-
Building Inspector, Supervisor	5.00	5.00	-
Building Inspector, Supervisor Certified I	10.00	10.00	-
Code Enforcement Inspector I/II	49.00	46.00	(3.00)
Code Enforcement Supervisor	5.00	6.00	1.00
Department Information Technology Manager	0.00	1.00	1.00
Deputy Director, Code Enforcement	1.00	1.00	-
Deputy Director, Unclassified	2.00	2.00	-
Director of Planning, Building and Code Enforcement	1.00	1.00	-
Division Manager	9.00	9.00	-
Engineer I/II	3.00	3.00	-
Environmental Inspector II	3.00	3.00	-
Geographic Systems Specialist II	1.00	1.00	-
Information Systems Analyst	2.00	2.00	-
Network Technician I/II/III	1.00	1.00	-
Permit Specialist	3.00	3.00	-
Planner I/II/III	28.00	30.00	2.00
Planner IV	12.00	13.00	1.00
Planning Technician	3.00	5.00	2.00
Principal Account Clerk	1.00	1.00	-
Principal Office Specialist	2.00	2.00	-
Principal Permit Specialist	4.00	4.00	-
Principal Planner	1.00	2.00	1.00
Program Manager I	3.00	2.00	(1.00)
Public Information Manager	1.00	1.00	-
Public Information Representative I	1.00	1.00	-
Regional Park Aide PT	10.00	2.00	(8.00)
Senior Account Clerk	2.00	2.00	-
Senior Analyst	3.00	3.00	-
Senior Engineer	7.00	7.00	-
Senior Office Specialist	25.00	24.00	(1.00)
Senior Permit Specialist	14.00	14.00	-
Senior Supervisor, Administration	4.00	4.00	-
Senior Systems Application Programmer	2.00	2.00	-
Staff Specialist	1.00	2.00	1.00

Planning, Building and Code Enforcement Department

Departmental Position Detail

Position	2016-2017 Adopted	2017-2018 Adopted	Change
Staff Technician	5.00	5.00	-
Supervising Applications Analyst	1.00	2.00	1.00
Supervising Environmental Services Specialist	1.00	1.00	-
Systems Applications Programmer II	1.00	1.00	-
Total Positions	319.00	317.00	(2.00)