



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Anthony Mata
Jim Shannon

SUBJECT: SEE BELOW

DATE: October 2, 2023

Approved

Date

10/12/2023

SUBJECT: ACTIONS RELATED TO THE BOARD OF STATE AND COMMUNITY CORRECTIONS ORGANIZED RETAIL THEFT PREVENTION GRANT PROGRAM

RECOMMENDATION

- (a) Adopt a resolution accepting the Board of State and Community Corrections Organized Retail Theft Prevention Grant Program in the amount of \$8,489,349; and authorizing the City Manager or designee to negotiate and execute any Grant Agreement, amendments, and all related documents, including online certifications at time of award acceptance and reimbursement requests, without further City Council action.
- (b) Adopt the following 2023-2024 Appropriation Ordinance and Funding Sources Resolution Amendments in the General Fund:
 - (1) Establish the 2023-2024 Board of State and Community Corrections Organized Retail Theft Grant Program City-Wide Expenses appropriation to the Police Department in the amount of \$2,790,679; and
 - (2) Increase the estimate for Revenue from State of California by \$2,790,679.

SUMMARY AND OUTCOME

Approval of this recommendation will provide grant funding through 2025-2026 for the purpose of combating organized retail theft in the City of San José.

BACKGROUND

The California State Budget Act of 2022 established the Organized Retail Theft Prevention Grant Program through Senate Bill 154. The State set aside \$242,250,000 to prevent and respond to organized retail theft, motor vehicle or motor vehicle accessory theft, and cargo theft support.

The Board of State and Community Corrections (BSCC) awarded competitive grant funding to county sheriffs' departments, city police, and probation departments.

In June of 2023, the Mayor's Office provided a letter of support on behalf of the San José Police Department (Department) to the BSCC for the Organized Retail Theft Prevention Grant Program. The letter outlined the Department's current limited resources and how the grant would provide much needed resources to our City to combat retail theft crimes. On July 7, 2023, the Department submitted a grant proposal for the BSCC Organized Retail Theft Prevention Grant Program. The application was accepted and approved on September 14, 2023, in the amount of \$8,489,349.

In the last several years, the Department has seen an increase in retail thefts throughout the City. This grant would provide funding for staffing, equipment and technology to support investigations of retail theft and retail theft rings targeting the City of San José. This is a reimbursable grant, and the Department will be responsible to ensure expenditures are allowable as set forth in the BSCC Grant Administration Guide and the City's policy and procedures.

ANALYSIS

The Police Department has been awarded \$8,489,349 for the BSCC Organized Retail Theft Prevention Grant. The grant term is from October 1, 2023, through December 31, 2026. The grant will assist in addressing organized retail theft by directing resources that include, but are not limited to, salaries, overtime, consultant services, training, and equipment. The grant program will consist of field resources, investigative resources, and technology to address this problem.

The following list provides information on the project budget for the Organized Retail Theft Prevention Grant. These estimates are subject to reallocation and/or change over the course of the three-year grant term; however, the total grant amount to the City will remain the same.

1. \$4,289,544 of the funds will be used for salaries and benefits, and overtime for operations and investigations. The program will fund temporary staffing consisting of one full-time Forensic Analyst and four part-time Forensic Analyst positions. In addition, overtime funding will allow for Community Service Officers and Police Officers with the sole responsibility of retail theft prevention; Detectives in the Investigations Bureau to complete investigations involving arrests, apprehensions, and executions of search warrants; and an Analyst to oversee the grant program and ensure grant compliance.
2. \$3,629,193 of the funds will go towards equipment acquisitions to support the program. The largest investment would be \$3.1 million towards automated license plate readers to be strategically deployed in the community to combat retail theft crimes. The remaining funds will go towards the acquisition of vehicles for staff to be able to respond solely to retail theft calls for service and conduct hot spot prevention, radios for safe

communication, forensic computers/towers, software, and other technology purchases to assist with investigations in an effort to combat organized retail theft.

3. \$250,000 of the funds will go towards a data collection evaluator. Through data gathering and analysis, the Department will collaborate with a research partner to evaluate the proposed program and the impact of the technology implemented to support activities related to retail theft prevention efforts.
4. \$202,734 of the funds will go towards training. These funds will allow multiple staff members to attend the California Retailers Association Conference and other training opportunities to learn about best practices and procedures, new intelligence concerning illegally obtained goods, and the use of forensic tools to efficiently analyze evidence.
5. \$117,878 of the funds will be utilized for services and supplies such as laptops, desktops, workstations, cellphones, and other miscellaneous supplies to assist with the day-to-day operations of the program.

The following table summarizes the three-year spending plan.

Budget Category	2023-2024	2024-2025	2025-2026	Total
1. Salaries, Benefits and Overtime	\$1,360,679	\$1,428,713	\$1,500,152	\$4,289,544
2. Equipment	\$1,100,000	\$1,264,597	\$1,264,596	\$3,629,193
3. Data Collection and Evaluation	\$ 250,000	\$0	\$0	\$250,000
4. Other: Training	\$50,000	\$76,367	\$76,367	\$202,734
5. Services and Supplies	\$30,000	\$43,939	\$43,939	\$ 117,878
Total	\$2,790,679	\$2,813,616	\$2,885,054	\$8,489,349

EVALUATION AND FOLLOW-UP

This memorandum will not require any staff follow up.

COST SUMMARY/IMPLICATIONS

This project is being funded by the Board of State and Community Corrections for a three-year period and there is no cash or in-kind match requirement with this grant. For the program to continue beyond the three-year grant period, ongoing expenses for the three full-time equivalent Forensic Analyst positions, overtime, and the technology equipment annual subscription and maintenance costs is estimated to be \$1.5 million in personal services and \$1.4 million in non-

personal/equipment costs. The ongoing continuation of the program after the completion of the grant, depending upon its effectiveness, may be discussed and evaluated as part of the 2026-2027 budget development process, in consideration of the City’s General Fund budgetary position and other important City Council priorities.

BUDGET REFERENCE

The table below identifies the fund and appropriations recommended to be amended as part of this memorandum.

Fund #	Appn #	Appn Name	Current Appn	Recommended Budget Action	2023-2024 Proposed Operating Budget Page*	Last Budget Action (Date Ord. No.)
001	R100	Revenue from State of California	\$22,869,671	\$2,790,679	123	8/22/2023, Ord. No. 23-300
001	New	2023-2024 Board of State and Community Corrections Organized Retail Theft Grant Program	N/A	\$2,790,679	N/A	N/A

*The 2023-2024 Adopted Operating Budget was approved on June 13, 2023 and adopted on June 20, 2023 by the City Council.

COORDINATION

This memorandum has been coordinated with the Office of the City Attorney.

PUBLIC OUTREACH

This memorandum will be posted on the City’s Council Agenda website for October 24, 2023 City Council meeting.

COMMISSION RECOMMENDATION AND INPUT

No commission recommendation or input is associated with this action.

HONORABLE MAYOR AND CITY COUNCIL

October 2, 2023

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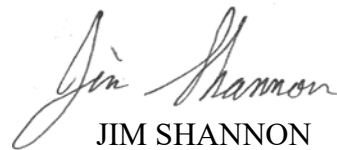
CEQA

Not a Project, File No. PP17-004, Government Funding Mechanism or Fiscal Activity with no commitment to a specific project which may result in a potentially significant physical impact on the environment.

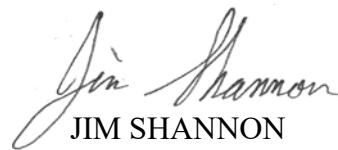
PUBLIC SUBSIDY REPORTING

This item does not include a public subsidy as defined in section 53083 or 53083.1 of the California Government Code or the City's Open Government Resolution.

/s/
ANTHONY MATA
Chief of Police


JIM SHANNON
Budget Director

I hereby certify that there will be available for appropriation in the General Fund in the Fiscal Year 2023-2024 monies in excess of those heretofore appropriated there from, said excess being at least \$2,790,679.


JIM SHANNON
Budget Director

For questions, please contact Lisa Perez, Division Manager, at (408) 537-1624 or Jennifer Otani, Administrative Officer, at (408) 537-1618.