



## Memorandum

TO: CITY COUNCIL

FROM: Councilmember Jimenez

**SUBJECT: Open Government: The City Has Made Progress in Meeting the Goals of the Sunshine Reform Task Force.**      DATE: September 12, 2017

Approved

Date: 09/12/2017

### RECOMMENDATION

Accept the audit with the following additions:

1. Amend Recommendations #2 and #3 to direct the inclusion of a broader "Fiscal Impact" report providing information on the impacts to the City budget of private development proposals that require Council approval. The "Fiscal Impact" report would disclose, as applicable:
  - a. An estimation of the City's share of property tax revenue generated if the project is approved;
  - b. Projected Transient Occupancy Tax (TOT) and Sales Tax generated;
  - c. Impact fees paid to the City, including but not limited to affordable housing fees and parkland dedication in-lieu fees;
  - d. Any other tax revenue generated or fees paid, if the project is approved, that benefits the City;
  - e. Fee or tax reductions or waivers, which would be expressed as the monetary value that is foregone by the City; and
  - f. Any other public subsidy provided pertaining to the project.

The Planning Department should work with the City Manager's Office, the Office of Economic Development, the Housing Department, and the Department of Parks, Recreation, and Neighborhood Services to prepare this information for inclusion in memoranda to both the Planning Commission and to Council.

2. Direct the City Manager's Office and the City Clerk's Office to improve public notification of City Board and Commission agendas by creating email distribution lists that members of the public can subscribe to through an easy-to-use portal on the City website.

## ANALYSIS:

The report released by the Office of the City Auditor demonstrates the City's continuing commitment to open and accessible government. The recommendations in this memo are intended to further improve the disclosure of information to the public.

Several cities in Santa Clara County routinely include concise, but comprehensive, disclosures of fiscal impact to the city budget in staff reports. The "Fiscal Impact" statements in Sunnyvale and Mountain View, and the similar "Resource Impact" statement in Palo Alto, for example, provide basic but important information to the city council and to the public about revenue projections and city expenditures resulting from development proposals, policy changes, and capital improvements. Similar information is sometimes provided in staff memoranda in San José, but not as a matter of routine for private development proposals.

The disclosure of more information is always desirable, but to provide a reasonable and practical start, this memo only recommends routinely incorporating a "Fiscal Impact" report for private development proposals that require Council approval, as these are most likely to be of greatest interest to the public. Further, the information sought in the report is intended to assist the Council in ensuring that approval of the development aligns fully with the fiscal and policy goals of the City, as well as helping the Council and the public better understand the impacts of development on the City budget.

Ideally, the "Fiscal Impact" report would appear in the same memorandum that provides other fundamental information, including environmental impacts and mitigations, rather than in a separate memorandum. This requires coordination between the Planning Department, the Office of Economic Development, the Housing Department, the Department of Parks, Recreation and Neighborhood Services, and potentially other departments that monitor and assess these fiscal impacts. It is understood that, so far in advance of construction, these are estimates and not precise figures.

Separately, this memo recommends improving the public notification of the release of City Board and Commission agendas. Some City Boards and Commission have email distribution lists, but others, like the Retirement Boards and Neighborhoods Commission, do not have a distribution list to allow members of the public to receive the agenda by email at the time of release. All City Boards and Commissions should be required to distribute their agendas by email.

The City website should include an easily located and easy-to-use portal that allows members of the public to electronically subscribe to receive agendas from each individual City Board and Commission that they are interested in. This will greatly enhance the ability of the public to monitor the activities of their government.