



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Lee Wilcox

**SUBJECT: COUNCIL POLICY
PRIORITIZATION PROCESS**

DATE: June 4, 2018

Approved

D. D. SyL

Date

6/8/18

RECOMMENDATION

- A. Approve the modified Council Policy Prioritization Process and five recommendations outlined in this memorandum.
- B. Accept the update on the Council Policy Priority List and approve the removal of two completed priorities from the list.

OUTCOME

With City Council approval, the new Council Policy Prioritization Process will be implemented immediately and the existing priorities will be integrated into the City Council Committee Work Plans for July-December 2018. The next Council Policy Prioritization Session will be held in February 2019.

BACKGROUND

Since 2011, the City Council has participated in priority-setting sessions to determine which potential or pending ordinances and policy initiatives hold priority for completion in the months ahead. The priority-setting process was designed to allow the Administration to focus limited staff resources on those high priority initiatives. Originally the process focused on ordinance development and completion.

In 2015, Council broadened the process to include policy work, stating that the “ordinance only” restrictions did not allow the process to capture the full range of work the City needed to do on emerging issues, leading to stunted policy discussions and inflexibility in addressing emerging policy questions or community concerns. While the scope of work on the priority-setting list broadened, the process itself remained relatively unchanged with this shift.

Despite past modifications, the Administration continues to receive feedback from the Council and City staff that the process has become overly complicated, lacks communication and accountability, is not properly resourced to ensure priority items are completed in a timely manner, and does not adequately take the City's other critical policy work into account. The City Manager's Office has been collecting this feedback in an effort to better understand the goals behind the existing process, as well as its limitations or barriers to success.

Staff has conducted this work to develop and recommend a new priority-setting process. As the City continues to tackle challenging political, social, economic, and environmental issues, traditional models and processes are unlikely to address the increasing complex and dynamic policy work needed. Using lessons learned from the past seven years of priority-setting, the Administration believes that it is time to update the City's approach in a way that focuses lean resources towards the City's most pressing issues.

ANALYSIS

New Council Policy Prioritization Process

Based on the Administration's research, this memorandum contains five recommendations aimed at addressing the issues outlined above:

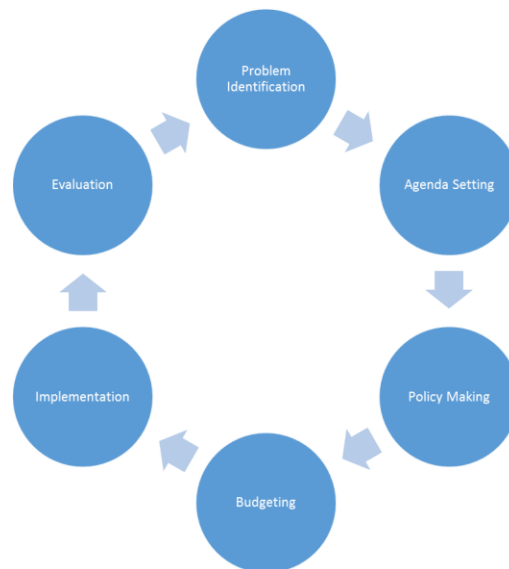
- **Recommendation #1:** Align the priority-setting process to the City's annual budget process, with an annual session (the Annual Council Policy Prioritization Process) to be held in February, prior to the kickoff of the City's annual budget process.
- **Recommendation #2:** Hold the Annual Council Policy Prioritization Process at a "stand alone" meeting of the Council, which will allow for more discussion and collaboration between the Council and Administration and allow the Administration to daylight other significant policy endeavors that may be required in the upcoming year.
- **Recommendation #3:** Simplify the nominations process by creating a form for Councilmembers to submit potential Council Policy Priorities to the City Manager, who will then bring forward all Council nominations and the Administration's critical policy work in a single memorandum.
- **Recommendation #4:** Require the Administration to provide regular progress reports on Council Policy Priorities to the appropriate Council Committees.
- **Recommendation #5:** Create a point of contact in the City Manager's Office of Administration, Policy, and Intergovernmental Relations (API) to function as liaison to the City Council—helping Council Offices navigate City issues into the appropriate City process.

Recommendation #1: Align the priority-setting process to the City's annual budget process, with an annual session (the Annual Council Policy Prioritization Process) to be held in February, prior to the kickoff of the City's annual budget process.

When this process was originally created in 2011, the goal was to focus limited resources on ordinance work. The process worked well for a period of time, but did not take into account that accomplishing the priority goals in a certain timeframe might require staff resources to change or be altered to achieve an outcome in that period of time. In 2015 when the process expanded to include policy work, the process and timing did not change to account for the broadened work scope. As a result, priority items often were assigned to departments or teams without adequate resources to accomplish this new work. Or existing work, some of which had previously been deemed critical through the budget process or other means, had to be set aside so staff could accomplish priority goals.

Figure 1 provides an overview of the public policy cycle. The components that go into creating policy are not unique to San Jose and deemed as a best-practice across the public policy and administration sphere.

Figure 1 – Public Policy Life Cycle



A critical lesson learned from the past seven years is, for staff to successfully complete the City Council's policy priorities, the priority-setting process needs to take into account all phases of the public policy life cycle, especially aligning development of policy goals with budgeting and implementation.

Better alignment with the City's budget process is important for two reasons. First, by holding the Council Policy Prioritization process in February, the Administration can better plan and resource the policy work in the upcoming year. Several Councilmembers have expressed frustration that when the Council prioritizes policy work, it appears that little gets done. Part of

this challenge has been that, twenty-two of the twenty-seven existing priorities fall within three departments (see Attachment A for a list of priorities and responsible departments). While the City of San Jose likely will continue to be an extremely lean organization compared to other cities, moving the date of Council Policy Prioritization allows the Administration to better align resources based on the complexity of proposed policy work and department workloads in that year.

Second, the policy process does not end with the policy adoption. In most cases, priority items require resources through the implementation and policy evaluation phases. As staff begins to conclude policy development on a Council Policy Priority, implementing that policy may require additional resources. The fiscal year budget is developed from February through May, culminating in City Council adoption of the budget in June. While this alignment does not guarantee each policy will require, or be allocated resources, it does eliminate “process” as a barrier to achieve a specific policy outcome.

Historically, priority-setting sessions have not taken place in a timeframe that allows for staff to include the resources needed for policy development, implementation, or evaluation. The budget process is how Council and the Administration prioritize City spending on both day-to-day services and policy work. Holding an Annual Council Policy Prioritization process in February will create this alignment and allow for the analysis and discussion if needed.

To ensure that the shift to an Annual Council Policy Prioritization Session in February is successful, the Administration will bring forward a progress report each January that provides an update on the existing Council Policy Priorities. This report will:

- Outline the work that has been completed thus far on each priority;
- State which priorities have been completed and can be removed from the priority list;
- Quantify ongoing work that is needed to implement completed priorities;
- Identify which priorities are targeted for completion by the end of the fiscal year;
- Provide an update on changing circumstances (such as changes in state or federal law), challenges, successes, or barriers that staff has encountered in completing priorities; and,
- Help frame and give context to the next Council Policy Prioritization process in February.

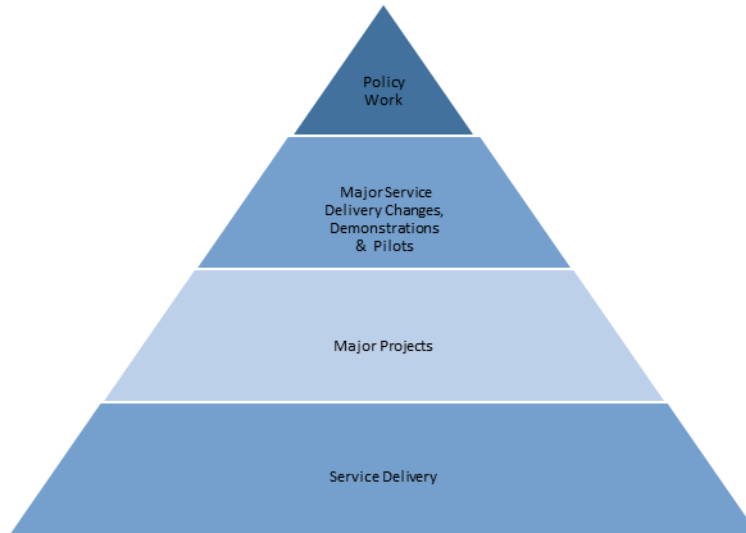
Recommendation #2: Hold the Annual Council Policy Prioritization Process at a “stand alone” meeting of the Council, which will allow for more discussion and collaboration between the Council and Administration and allow the Administration to daylight other significant policy endeavors that may be required in the upcoming year.

As mentioned above, City staffing continues to be lean. It is important to note that policy work is not the day-to-day working of providing services, nor is it the major projects already in the budget or department work plans. Policy work includes changes to city policies, modifications to the Municipal Code, development and implementation of new strategies, or development of new policies and programs.

The City's core mission is to provide day-to-day services to San Jose residents and businesses. Policy work, when done right, improves and enhances day-to-day services and allows the Council and Administration to develop solutions to new emerging issues and problems facing the San Jose community.

Figure 2 below illustrates that policy work, while very important and visible, is actually a smaller piece of the overall body of work that City staff does.

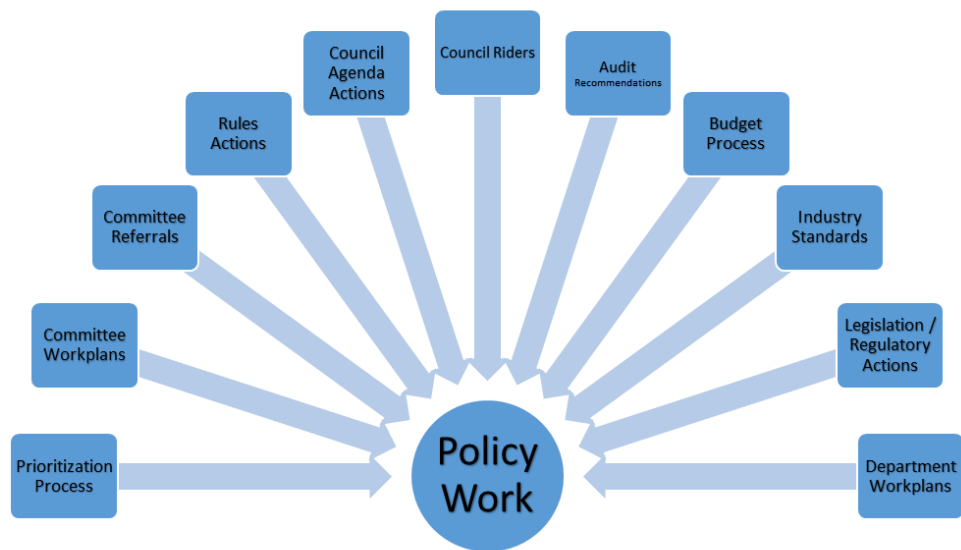
Figure 2 - City Hall Work Structure



It is important to note that many departments are already doing policy work, separate from the work adopted in the Council priority-setting process. Staff-driven policy work may include updating outdated regulations or implementing a new state or federal mandate.

Policy work comes to staff in a myriad of ways, including changes in State legislation, the City's budget process, and audit recommendations. Figure 3 illustrates the many ways that policy work might be placed on the City's work plan or departmental work plans.

Figure 3 – Source of Policy Work



In evaluating the priority-setting process, some Councilmembers stated that the Administration has not day lighted the body of policy work taking place in the organization. It is not always clear to Councilmembers what policy work departments are doing or why certain work takes precedence over items that Council has prioritized.

To address the Council’s and City staff’s concern that not all policy work is discussed or captured in the process, the Administration may bring forward critical policy work for discuss in this process. While it is not the intention of the Administration to bring all this work forward, some of the more pressing issues may be important to frame the Council Policy Prioritization discussion and process.

Recommendation #3: Simplify the nominations process by creating a form for Councilmembers to submit potential Council Policy Priorities to the City Manager, who will then bring forward all Council nominations and the Administration’s critical policy work in a single memorandum.

This recommendation is designed to mitigate confusion during the Annual Council Priority Setting Process and eliminate the need for Councilmembers to submit multiple memos through the Rules and Open Government Committee. Having a nominations form will provide uniformity and simplicity. A draft of the form has been included in Attachment B. Additionally, having the City Manager provide the Council with a single memo that includes all nominations will bring additional clarity to the process. It is important to note, the Early Consider Process will continue utilizing a standard memo to the Rules and Open Government Committee. If the Rules and Open Government Committee puts an item on the “Yellow Light” list, the Administration will bring that forward in the City Manager’s memorandum in February. For instance, *General Plan Land Use Overlay Amendments for Mobilehome Parks* (March 13, 2018 Council – [Item 10.3](#)); *Suicide Prevention Strategic Plan* (April 18, 2018 Rules – [Item G\(3\)](#)); and

Beverage Straws Upon Request (May 16, 2018 (Rules – [Item G\(5\)](#)) will be brought forward in the City Manager’s memorandum for the February 2019 session.

Recommendation #4: Require the Administration to provide regular progress reports on Council Policy Priorities to the appropriate Council Committees.

San Jose City Council Committees are intended to enhance communication between the Council and Administration during the development phase of significant work efforts, including policy work. As large cities have faced greater demands from the public and increasingly complex governance challenges, many cities have begun to utilize their Council committees for vetting and shaping policy solutions.

One critique Councilmembers provided about San Jose’s current priority-setting process is that, other than when an item comes to Council for approval or an update is given during the following priority-setting session, information about progress on priorities is lacking. The Administration hopes to change this by requiring quarterly progress reports at the appropriate Council Committees. The Administration believes this change will accomplish the following:

- A. Enable City staff to obtain early feedback from Councilmembers and daylight the work plan, public outreach strategies, completion date, and any other necessary updates.
- B. Allow Councilmembers to develop and maintain a deeper level of knowledge on matters of a technical nature that may affect policy work and outcomes, which will increase the positive exchange of information and discussion between the Council and Administration.
- C. Allow the Administration to keep the Council’s Annual Policy Priorities in the forefront of policy work taking place in the organization.

As active Council Policy Priorities come to Council Committees, these will be called out separately from other policy work and updates. The Administration believes a more collaborative mode of policy making between the Council and City staff—throughout the policy lifecycle—will facilitate and broaden the City’s success to our more challenging policy questions.

Recommendation #5: Create a point of contact in the City Manager’s Office of Administration, Policy, and Intergovernmental Relations (API) to function as liaison to the City Council—helping Council Offices navigate City issues into the appropriate City process.

During the Administration’s assessment of the priority-setting process several Council Offices indicated a better need for education around priority-setting, but also expressed concern about the volume and complexity of issues that come to them. Without proper assistance, some Council Offices indicated they felt the priority-setting process was the only avenue to address some of these concerns. In one specific example, a Council Office indicated they submitted something to the priority-setting process, but that in hindsight it was a budgetary issue. The

Mayor's Office and Council Offices often receive dozens of requests every week and not all of these belong in the Council Policy Prioritization Process. Some are general constituent issues that simply need to be directed to the correct department, and or person. Other issues are budgetary. To address these concerns API will help play a greater role working with Council Offices to help direct these requests when the assistance is needed. In addition, in 2015 the City Manager's Office and City Clerks' Office developed an onboarding session for new Council Offices. This new Council Policy Prioritization Process will be integrated into those training sessions and API will start meeting with Council Offices to outline the new process and timeline once finalized.

Lastly, the Council will still have the Early Consideration Process during the year to help ensure the City can pivot to address any new pressing needs.

Current Council Policy Priorities

The last priority-setting session was held on October 17, 2017. There was a total of 18 nominated items of which six were voted to be added to the Council Priority list. During the ranking portion of the session, Council froze the top ten items on the list and removed four items from the previously established list that had received zero votes. The Council Priority list contains 27 items (Attachment C), which is presented in priority order as ranked by Council. In most cases, work crosses multiple departments and requires legal work from the City Attorney's Office.

Two current priorities have been completed and are recommended for removal from the list. The completed items are:

- Update the City's Rental Rights and Referrals Program (Priority #1):

On November 14, 2018, Council approved the modified Apartment Rent Ordinance and staffing plan. Staff was directed to return to Council to clarify the timeframe for eliminating the utility billing pass through (RUBS). On April 24, 2018 Council approved the process allowing property owners a one-time rent increase to partially offset the elimination of RUBS. With this action, all City Council direction pertaining to this City Council priority is complete. The Department will be returning to City Council with cleanup items associated with the Tenant Protection Ordinance and the Ellis Act Ordinance in the new fiscal year.

- Downtown Active Storefronts Initiative (Priority #25):

On May 1, 2018, Council approved the program and corresponding ordinance changes. Staff currently conducting education and outreach to Downtown property owners, notifying them of the July 1, 2018 program implementation date.

With the removal of the two completed priorities the list has 25 Council Policy Priorities. Beginning in August 2018, the active Council Policy Priorities will be integrated into the appropriate Council Committees for fall 2018. Once the priorities are integrated into the Council Committees, the Council Priority list will include Estimated Completion Dates (currently

highlighted in Attachment C). In January of 2019 the Administration will update the full Council on the status of the remaining Council Policy Priorities—helping to inform the February session.

EVALUATION AND FOLLOW-UP

If the above recommendations are approved, progress reports on priorities on the current priority list will be placed on committee work plans for July-December 2018. The City Manager will issue a memorandum with the status of all priority items in January 2019. The Annual Council Prioritization Process meeting will be scheduled for February 2019.

PUBLIC OUTREACH

This memorandum will be posted on the City’s Council Agenda website for the June 26, 2018 Council Meeting.

COMMISSION RECOMMENDATION/INPUT

No commission recommendation or input is associated with the action.

CEQA

Not a Project, File No. PP17-009, Staff Reports, Assessments, Annual Reports, and Informational Memos that involve no approvals of any City actions.

/s/
LEE WILCOX
Chief of Staff
City Manager’s Office

For questions, please contact Lee Wilcox, Chief of Staff, City Manager’s Officer, at (408) 535-4873.

Attachments:

- Attachment A – Current Council Priority list grouped by Council Committee
- Attachment B – Council Nomination Form
- Attachment C– Current Council Priority list

COUNCIL PRIORITIES BY COMMITTEE

Rank	Community & Economic Development
1	Update the City's Rental Rights and Referrals Program - COMPLETED
2	Local Hiring/Local Business/Apprentice Utilization Program
3	Mobile Home Conversions
4	Housing Rehabilitation Program (Homeless Veterans Vouchers)
5	Disadvantaged Business Enterprises
6	Electronic Billboards
8	Development of a Soft-Story Retrofit Program
9	Accessory Dwelling Units & Garage Conversion Ordinance
11	North San José Policy Review
12	Commercial Impact Fee for Affordable Housing
13	Safe Parking Program
14	Private Property Graffiti Abatement Ordinance
15	Downtown Zoning Code Update(Responding to the Housing Crisis)
16	Impact Fee Deferred Payment Program for Housing(Responding to the Housing Crisis)
18	Sanctioned Encampments
19	Anti-Displacement Preference Ordinance
20	Update Urban Design Guidelines
22	Smoke-Free Housing
23	Spurring High Density Development Along Transit Corridors
24	Riparian Corridors and Bird Safe Design
25	Downtown Active Storefronts Initiative - COMPLETED
26	San José is Open for Business/Legal Non-Conforming Uses

Rank	Neighborhood Services & Education
7	Downtown and/or Citywide Parks Operations and Maintenance Financing District
21	Food and Clothing Distribution at City Parks

Rank	Public Safety, Finance & Strategic Support
10	Personal Care Business Compliance Initiative
17	Develop Innovation Strategies to Hire Crossing Guards
27	Medical Marijuana



CITY COUNCIL POLICY NOMINATION

COUNCILMEMBER:

DATE:

DISTRICT:

SUBJECT:

POLICY PROPOSAL:

BACKGROUND:

Return form to CMOAgendaServices@sanjoseca.gov

**Council Policy Priorities
(as set by Council on 10/17/17)**

	Policy/Ordinance Name Description	Lead Dept./Staff Support Departments	CMO Lead	What We Are Doing	When Will It Come to Committee or Council?
1	<p>Update the City’s Rental Rights and Referrals Program Explore modifications to strengthen the City’s rent control ordinance (rent registry, notices of rent increase, banking); and the creation of ordinances to address retaliatory evictions, income discrimination, major capital improvement pass-through, displacement and relocation (Ellis).</p>	<p>Housing Lead Staff: Rachel VanderVeen Support: City Attorney</p>	<p>Kim Walesh</p>	<p>On May 17, 2016, the City Council adopted the Interim Apartment Rent Ordinance. The 5% annual allowable rent increase took effect on June 17, 2016. On August 23, 2016, Council approved regulations to implement the fair return process as part of the Interim Ordinance. The fair return process was implemented starting September 27, 2016. On April 18, 2017, the City Council approved the Ellis Act Ordinance, which provides protections to tenants in apartments being removed from the rental market. On May 9, 2017, the City Council passed the Tenant Protection Ordinance, which provides just cause eviction protections to tenants living in over 80,000 apartments in San Jose. On November 14, 2017, the City Council approved the updated Apartment Rent Ordinance and Regulations. On April 24, 2017, the City Council passed amendments to the Tenant Protection Ordinance prohibiting retaliatory action to tenants based on immigration status and introducing a criminal activity just cause reason; Ellis Act Ordinance reducing the re-control requirements; and the Apartment Rent Ordinance clarifying ratio utility billing is not allowed. The Housing Department returned to the City Council with clarifying language on the amendment to the Apartment Rent Ordinance on May 22, 2018.</p> <p>Project Completion: 100%</p>	<p>COMPLETE</p>

	Policy/Ordinance Name Description	Lead Dept./Staff Support Departments	CMO Lead	What We Are Doing	When Will It Come to Committee or Council?
2	<p>Local Hiring/Local Business/Apprentice Utilization Program Create policies encouraging the hiring of local workers and contracting of local and small businesses, using the City of Sunnyvale's recently approved program as a model.</p>	<p>Public Works Lead Staff: Christopher Hickey Support: City Attorney's Office /Office of Economic Development</p>	Kim Walesh	<p>An update on the Labor Market Study was provided to Community and Economic Development Committee on September 25, 2017. Craft Consulting Group is in the initial phase of the Labor Market Study, more specifically, reviewing completed and forecasted CIP projects, private development outreach, and a 5-year labor market projection.</p> <p>At the April 3, 2018 Council Meeting, the City Manager and City Attorney were directed to begin negotiations on a Community Workforce Agreement/ Project Labor Agreement and development of a Private Development Workforce Standard Ordinance. The City Manager and Public Works Director have initiated negotiations with the Santa Clara & San Benito Build Trades Council.</p> <p>Project Completion: 50%</p>	<p>Labor Market Study: Staff to return to Community and Economic Development Committee in October 2018 with the final report assessing the current and forecasted demand and supply for construction workers for public and private construction projects.</p> <p>Estimated Completion Date:</p>

	Policy/Ordinance Name Description	Lead Dept./Staff Support Departments	CMO Lead	What We Are Doing	When Will It Come to Committee or Council?
3	<p>Mobile Home Conversions Review and potentially amend the Mobile Home Conversion Ordinance to address the protection of health, safety and welfare of mobile home park residents, including any needed General Plan amendments.</p>	<p>PBCE Lead Staff: Jared Hart Support: City Attorney's Office/Housing</p>	<p>Kim Walesh</p>	<p>The City Council adopted a New Mobile Home Park Conversion Policy (February 23, 2016), Zoning Code amendments (February 23, 2016 and May 16, 2017) and General Plan text amendments (May 16, 2017) to further the protection of mobile home parks. In response to Council direction on May 16, 2017, staff brought to Council on March 13, 2018, an analysis of proposed general plan land use overlay amendments for mobile home parks and review of recommendations from the Law Foundation of Silicon Valley regarding protection of mobile home park residents.</p> <p>Council accepted staff's analysis and directed staff to bring back to Council three minor General Plan text amendments identified in the analysis as part of a future General Plan hearing cycle; and that staff consider establishing a Mobilehome Park land use designation and land use amendments for the two mobilehome parks with high density residential land use designations, with staff commencing work no later than Spring 2019.</p> <p>Project Completion: 75% on GP text amendments</p> <p>Project Completion: 0% on Mobilehome Park land use designation for 2 high density sites.</p>	<p>To Council in fall 2018 with the three minor General Plan Text Amendments.</p> <p>Staff will commence work on mobilehome parks with high density residential land use designations in spring 2019 and anticipate bringing to Council for consideration in early 2020.</p> <p>Estimated Completion Date:</p>

	Policy/Ordinance Name Description	Lead Dept./Staff Support Departments	CMO Lead	What We Are Doing	When Will It Come to Committee or Council?
4	<p>Housing Rehabilitation Program (Homeless Veterans Vouchers) Develop a program using the Low and Moderate Income Housing Asset Fund (LMIHA) in the City's Affordable Housing Investment Plan to establish a housing rehabilitation program incentivizing landlords to participate in housing voucher or coupon programs for homeless veterans.</p>	<p>Housing Lead staff: James Stagi</p>	<p>Lee Wilcox</p>	<p>Council approved a recommended program structure on June 28, 2016. The Housing Department launched the program to rental properties owners on November 10, 2016.</p> <p>After determining that LMIHA funding was an ineligible source of funding for this program, the Housing Department allocated a portion of it federal Community Development Block Grant (CDBG) funding. While experiencing ongoing challenges implementing the program's federal funding requirements, the Housing Department opted to switch to the newly available Housing Authority Litigation Award (HALA) funding in November 2017. Given the flexibility of the HALA funds compared to CDBG, Housing Department staff believes that the program will have greater appeal to rental owners and will begin proactively marketing the revised program again in early 2018. The program currently has two approved projects that will house four homeless veterans. The Departments goal is to complete the first Rehabilitation project before the end of the fiscal year.</p> <p>Project Completion: 90%</p>	<p>The Housing Department will be submitting an information memorandum to City Council by June 2018 with an update on the program.</p> <p>Estimated Completion Date:</p>

	Policy/Ordinance Name Description	Lead Dept./Staff Support Departments	CMO Lead	What We Are Doing	When Will It Come to Committee or Council?
5	Disadvantaged Business Enterprises Explore expanding existing Disadvantaged Business Enterprises (DBE) program beyond Airport to other City departments and contracts.	Public Works Lead staff: Christopher Hickey Support: City Attorney's Office/Department of Transportation/ Environmental Services Department	Kim Walesh	The consultants have completed internal stakeholders interviews, identified and interviewed key external stakeholders, researched other DBE or similar programs, and distributed a City approved contractor's survey. Final report is being reviewed and staff is developing recommendations. Project Completion: 90%	To Community and Economic Development Committee in June 2018 with a final report and recommendations related to increasing small and local business participation in City-related procurements. Estimated Completion Date:

	Policy/Ordinance Name Description	Lead Dept./Staff Support Departments	CMO Lead	What We Are Doing	When Will It Come to Committee or Council?
6	<p>Electronic Billboards Options for public and private property that will allow electronic digital off-site advertising signs or billboard installations.</p>	<p>PBCE/Economic Development</p> <p>Lead PBCE staff: Art Henriques</p> <p>Lead Economic Development staff: Blage Zelalich</p>	<p>Kim Walesh</p>	<p>Staff provided a status report of the phased workplan at the November 27, 2017 Community and Economic Development Committee meeting. The Committee directed staff to look at the possibility for publicly-owned sites such as those owned by VTA and school districts being expedited, the addition of working with advertising entities, and on refining the timeline. At the December 19, 2017 Council meeting, staff shared that under the First Amendment, advertising on public-entity-owned properties must be treated by the City in the same manner as privately-owned properties and recommended that Phase I of the workplan remain as is. Council voted to approve staff recommendation, including the workplan timeline, directed staff to continue to work with industry reps, and to provide an update to CED Committee in first quarter 2018.</p> <p>Staff returned to the CED Committee on March 26, 2018. Since the update, staff has drafted site-selection criteria, finalized eligible city sites, drafted the necessary GP/policy text changes, and is currently finalizing the draft initial study for internal review. Circulation is expected by the end of May. Staff anticipates Planning Commission hearing in July 2018</p> <p>Project Completion: 50%</p>	<p>To Council in August 2018.</p> <p>Estimated Completion Date:</p>

	Policy/Ordinance Name Description	Lead Dept./Staff Support Departments	CMO Lead	What We Are Doing	When Will It Come to Committee or Council?
7	<p>Downtown and/or Citywide Parks Operations and Maintenance Financing District</p> <p>To study and make recommendations to the City Council for a long term financing district for parks operations and maintenance. The study will look at citywide and downtown as options.</p>	<p>PRNS</p> <p>Lead staff: Matt Cano</p> <p>Support: CAO/ PBCE/PW</p>	<p>Kip Harkness</p>	<p>On November 28, 2017 as part of Item 5.1, PRNS provided an update on the status of the Greenprint Update. The <i>Greenprint</i> establishes the vision and mission for the future of the Parks, Recreation and Neighborhood Services (PRNS) Department. The <i>Greenprint</i> is a 20-year strategic plan to guide the stewardship and expansion of parks, recreation facilities and community services. At this City Council meeting, PRNS also received approval from the Mayor and City Council to continue investigating a funding feasibility study, which provides analysis of potential funding mechanisms available to the City, which would support recommendations and initiatives identified in the <i>Greenprint</i>, such as operations, services, maintenance, and capital improvements for park and recreational facilities. As a next step, PRNS, in coordination with the CMO, will be performing polling in early 2018 and report back to the Mayor and City Council in spring 2018 for discussion of potential revenue measures.</p> <p>Project Completion: 45%</p>	<p>Round 1 Polling was completed in August 2017 and reported to the City Council in November 2017. A second round of polling was planned for spring 2018 but was placed on hold. PRNS is still evaluating options for funding and will continue to pursue this in the coming year.</p> <p>Estimated Completion Date:</p>

	Policy/Ordinance Name Description	Lead Dept./Staff Support Departments	CMO Lead	What We Are Doing	When Will It Come to Committee or Council?
8	<p>Development of a Soft-Story Retrofit Program Explore developing a program to incentivize the seismic retrofit of multifamily soft-story buildings. An incentive program may motivate owners to retrofit inadequate structures that pose a safety risk to over 24,000 San Jose residents who live in the approximately 1,093 "soft-story" buildings.</p>	<p>Housing Lead Staff: Kristen Clements Support: PBCE</p>	<p>Kip Harkness</p>	<p>Staff submitted an application for a State OES/FEMA Grant but after close review, the State determined the that the proposed project planning and scoping was not eligible under the planning grant. CalOES encouraged the City to apply for a second grant program recently made available that includes planning and project implementation opportunities. Staff has submitted a Notice of Interest in a Governor's Office of Emergency Management planning grant to develop a soft-story retrofit program. An internal team has been created and will work together to develop options for the City Council to consider.</p> <p>Project Completion: 20%</p>	<p>To Council on June 19, 2018.</p> <p>Estimated Completion Date:</p>

	Policy/Ordinance Name Description	Lead Dept./Staff Support Departments	CMO Lead	What We Are Doing	When Will It Come to Committee or Council?
9	<p>Accessory Dwelling Units & Garage Conversion Ordinance</p> <p><i>Accessory Dwelling Units:</i></p> <ul style="list-style-type: none"> -Support the Planning Department's recommendations to revise the Zoning Code to ensure that the City's Second Unit Ordinance is in conformance with the provisions of Senate Bill 1069 (Wieckowski), which requires jurisdictions to relax some requirements for second units, also called accessory dwelling units; -Direct the Administration to: (a) Eliminate any impediments to the conversion of detached garages or other accessory units to residential use; (b) Consider changes that would increase the number of potential lots in R-2 zones; (c) Study an amnesty program that would legalize illegal non-conforming accessory dwellings as long as they are brought up to the standards included in the City's ordinance; (d) Encourage a robust public information effort to help residents understand the potential for second units, and the process for development. <p>[continued on next page]</p>	<p>PBCE</p> <p>Lead staff: Michael Brilliot</p> <p>Support: Housing/City Attorney's Office</p>	<p>Kim Walesh</p>	<p>Policy/Ordinance staff member returned from leave at the end of January 2018; Accessory Dwelling Units (ADUs) will be the #1 priority work item.</p> <p>Funding for the "How to" video has been secured and the video will be completed in summer 2018. Extensive outreach, community meetings and focus groups are occurring in February and March.</p> <p>Staff held four community meetings and three focus group meetings in February and March 2018. The proposed ordinance update went to Planning Commission on May 9, 2018; Commission recommended approval to the City Council.</p> <p>Project Completion: 90%.</p>	<p>To Council on June 19, 2018.</p> <p>Estimated Completion Date:</p>

Policy/Ordinance Name Description	Lead Dept./Staff Support Departments	CMO Lead	What We Are Doing	When Will It Come to Committee or Council?
<p>Accessory Dwelling Units & Garage Conversion Ordinance [continued]</p> <p>-Additionally, to "Not require for the secondary dwelling a minimum area of 80 s.f. of private open space with a minimum width of 8 feet."</p> <p><i>Garage Conversion Ordinance:</i> -An ordinance to establish procedures whereby owner-occupants of single-family residential real property on which certain illegal garage conversions now exist would have a limited time to seek to legalize converted garages. Landlords could be required to provide some affordable housing in exchange for the legalized unit. Explore the possibility of reducing the parking requirements if the unit's close enough to a major transit stop.</p>				

	Policy/Ordinance Name Description	Lead Dept./Staff Support Departments	CMO Lead	What We Are Doing	When Will It Come to Committee or Council?
10	<p>Personal Care Business Compliance Initiative</p> <p>-A registry requiring all personal care businesses that provide any form of massage services to annually register prior to obtaining a business tax certificate with an additional cost-recovery fee for a City employee position to proactively coordinate administrative processes and inspection for compliance.</p> <p>-A moratorium on the distribution of new massage parlor permits to all personal care businesses that provide any form of massage services during the initiative development up to a period of one year with an option to extend per Council's approval.</p> <p>- Conduct outreach and discussion with industry business professionals.</p>	<p>Police</p> <p>Lead staff: Lt. Paul Messier Sgt. Rick Galea Lt. Todd Trayer</p> <p>Support: PBCE/City Attorney</p>	<p>Jennifer Maguire</p>	<p>Staff's first priority is addressing massage businesses that are believed to be engaged in prostitution and human trafficking. Staff has launched a landlord-focused campaign, using sworn staff from the Police Department and dedicated staff from Code Enforcement.</p> <p>In addition to conducting undercover operations, the Vice Unit is supplementing enforcement efforts with a Property Owner Education Program. The Vice Unit is contacting the property owners renting to these massage businesses and advising them of local and state laws and potential legal repercussions. To date, the Vice Unit has closed 35 illicit massage parlors utilizing this program and closed another 30 illicit massage parlors via undercover operations, for a total of 65 illicit massage parlors closed.</p> <p>Additionally, in the 2017-2018 adopted budget, Council approved adding one Code Enforcement inspector dedicated to massage businesses. This position is budgeted to be cost recovery through the massage permit fees. Code Enforcement is issuing compliance orders to property and business owners operating massage businesses located in ineligible zoning districts, without police permits, and/or under police investigation. Code Enforcement is also performing routine inspections and issuing citations for confirmed violations of the massage ordinance.</p> <p>Staff is tracking the results of this new proactive approach for the next few months. In the spring, with some data in</p>	<p>An update was provided to PSFSS on September 21, 2017. Based on Committee direction received at that meeting, staff will return to the PSFSS Committee in September 2018 with an update on massage parlor operating regulations and enforcement efforts with the understanding that the moratorium on the issuance of massage parlor permits as part of the Personal Care Business Compliance Initiative has not yet been implemented, but is to be explored and possibly implemented over the next year.</p>

	Policy/Ordinance Name Description	Lead Dept./Staff Support Departments	CMO Lead	What We Are Doing	When Will It Come to Committee or Council?
	Personal Care Business Compliance Initiative [continued]			<p>hand, staff will revisit the moratorium as well as researching best practices from other jurisdictions, policy alternatives, and implementation strategies.</p> <p>The Police Department Permits Unit currently is tracking massage businesses that apply for permits and keeping a registry of those businesses.</p> <p>The current massage ordinance contains exemptions for massage offered at medical offices, state-licensed massage schools, full service salons, and athletic clubs.</p> <p>Requiring these exempted uses to obtain a City massage permit will require amending Chapter 6.44 of the Municipal Code to delete the exemptions. Doing will require public outreach and policy work, as well as additional staffing in the Permits unit to issue permits and Planning, Building and Code Enforcement to issue Zoning Letters. Staff plans to evaluate this direction more fully as part of the policy analysis described above.</p> <p>Project Completion: 20%</p>	<p>Estimated Completion Date:</p>

	Policy/Ordinance Name Description	Lead Dept./Staff Support Departments	CMO Lead	What We Are Doing	When Will It Come to Committee or Council?
11	North San José Policy Review Review of North San José development policies, fees, and development capacity allocations.	PBCE Lead staff: Rosalynn Hughey OED Lead staff: Chris Burton Support: OED/ DOT/PW	Kim Welsh	Code changes and GP amendments to allow flexibility for retail and service commercial uses completed; approved by Council on December 12, 2017. [Note: an update to the Policy to allow 4,000 additional housing units, per Mayor's Housing Plan, will be conducted in 2018] Project Completion: 30%	The original direction of this Council Policy Priority has been completed, however, during the October 2017 Priority Setting Process, staff "greenlit" additional work to make policy amendments necessary to move 4,000 housing units, including 2,400 affordable units, in excess of the Phase I "cap" of 8,000 units. This work is anticipated to be completed over the summer with Council consideration of Development Policy amendments this fall.
12	Commercial Impact Fee for Affordable Housing Research the potential of a non-residential development fee as an additional source of revenue for affordable housing development.	Housing Lead staff: Kristen Clements Support: CAO/PBCE/OED	Kim Welsh	As directed, staff has followed the progress of the Regional Nexus Studies on impact fees for affordable housing undertaken by jurisdictions in Santa Clara and Alameda Counties over the past two years. Staff issued an Information Memorandum on cities' commercial impact fees, including those for five cities in Santa Clara County. Project Completion: 95%	Staff will return to Council on June 12, 2018, on the Housing Crisis Workplan, with action to initiate a Nexus Study for a Commercial Impact Fee for the Diridon Station Area and consideration of a citywide Nexus Study. Based on Council direction from the June 12, 2018 hearing, staff will update this and workplan updates will be discussed in the Community and Economic Development Committee in fall 2018. Estimated Completion Date:
13	Safe Parking Program Explore and develop an ordinance which would allow for a legal use of "safe parking" in public and privately-owned parking lots for people who live in their vehicles.	PBCE Lead staff: TBD Support: Housing/City Attorney's Office	Kim Welsh	Staff has completed research on potential safe parking programs. Project Completion: 10%	TBD Estimated Completion Date:

	Policy/Ordinance Name Description	Lead Dept./Staff Support Departments	CMO Lead	What We Are Doing	When Will It Come to Committee or Council?
14	Private Property Graffiti Abatement Ordinance Ordinance that will allow staff to warn private property owners to abate graffiti on their property within 72 hours, or the City will abate the graffiti and bill the property owner.	PBCE Lead staff: TBD Support: TBD	Kim Welsh	Due to limited staff resources and staff focus on higher prioritized Council items, no work has been initiated on this item. Project Completion: 0%	TBD Estimated Completion Date:
15	Downtown Zoning Code Update (Responding to the Housing Crisis) Eliminate parking requirements, establish height minimums, and establish minimum residential densities for residential uses Downtown. Also establish requirements for retail, restaurants or other active ground floor uses on streets with sufficient visibility or foot traffic.	PBCE Lead staff: TBD Support: TBD	Kim Welsh	With the approval of the budget and hiring of two planners to focus on housing, this work will be initiated, building off the work of the downtown strategy update. Project Completion: 0%	This will be integrated into the CED workplan for spring 2019. Estimated Completion Date:
16	Impact Fee Deferred Payment Program for Housing (Responding to the Housing Crisis) Consider allowing deferral of payment of impact fees on GP 2040-compliant housing construction to enable payments streams to align with project revenues. Explore financing mechanisms that could allow for-sale housing projects to pay fees over time, at higher aggregate amounts than currently – but reduce the up-front burden.	PBCE Lead staff: TBD Support: TBD	Kim Welsh	Project Completion:0%	TBD Estimated Completion Date:

	Policy/Ordinance Name Description	Lead Dept./Staff Support Departments	CMO Lead	What We Are Doing	When Will It Come to Committee or Council?
17	<p>Develop Innovation Strategies to Hire Crossing Guards Develop new and innovative strategies to hire crossing guards.</p>	<p>Police Lead staff: TBD Support: Capt. Mike Kihmm Michelle Barte</p>	Jennifer Maguire	<p>Reassess staffing needs for total # of guards needed, explore & implement non-traditional recruitment approaches, saturate specific areas needed to backfill vacancies, participate in city events for recruitment tabling, participate in community efforts for recruitment, expedite online application and response times. Recruitment is a continual year-round effort to be maintained.</p> <p>Project Completion: 75%</p>	<p>TBD</p> <p>Estimated Completion Date:</p>
18	<p>Sanctioned Encampments Continue to explore the operation of a sanctioned encampment pilot to meet the immediate needs of unsheltered homeless people in the community.</p>	<p>Housing Lead staff: Jacky Morales-Ferrand Support: City Attorney's Office</p>	Kim Welsh	<p>On December 8, 2017, the Housing Department issued a memorandum on Bridge Housing Communities (BHC) and included an analysis of alternative options for the City Council to consider. The development and annual costs for a sanctioned encampment community and a discussion on the benefits and challenges was included for Council consideration. The City Council directed the Housing staff to pursue the BHC proposal.</p> <p>Project Completion: 90%</p>	<p>Staff will return to Council in September 2018 with a site selected for the City's first Bridge Housing location.</p>

	Policy/Ordinance Name Description	Lead Dept./Staff Support Departments	CMO Lead	What We Are Doing	When Will It Come to Committee or Council?
19	Anti-Displacement Preference Ordinance Explore the development of policy that will allow a set-aside in affordable housing developments that prioritizes residents who are being displaced that live in low-income neighborhoods undergoing displacement and/or gentrification.	Housing Lead staff: Kristen Clements	Kim Welsh	Staff presented on proposed Tenant Preferences to both the Housing and Community Development Commission (HCDC) and to the Community and Economic Development Committee in October 2017. Per their direction, the City Attorney's Office is currently doing further legal research on different types of preferences to help HCDC and CEDC finalize their recommendations to City Council on which Tenant Preferences that staff should pursue. Project Completion: 20%	Staff and the City Attorney's Office will return with additional legal analysis to HCDC and Community and Economic Development Committee on April 23, 2018. Staff's request will be to receive direction on which preferences to bring to the City Council and seek Council direction on which policies to develop. Estimated Completion Date:
20	Update Urban Design Guidelines Update citywide urban design guidelines for our key commercial districts, including Downtown and Berryessa.	PBCE Lead staff: Tim Rood	Kim Welsh	A Master Service Agreement and Task Order were executed with Skidmore, Owings & Merrill (SOM) for the first phase, updating the Downtown/Diridon Design Guidelines, using budgeted City funds, and work began in April. A well-attended community workshop led by staff was held April 19. Also in April, the City was awarded a \$200,000 MTC Priority Development Area Staffing Grant to provide consultant support for the second phase of the guidelines update, the Citywide Residential and Commercial Guidelines Project Completion: 25%	Staff to return to the City Council in fall 2018 with the draft Downtown/Diridon guidelines. Estimated Completion Date:

	Policy/Ordinance Name Description	Lead Dept./Staff Support Departments	CMO Lead	What We Are Doing	When Will It Come to Committee or Council?
21	<p>Food and Clothing Distribution at City Parks Review and update the Municipal Code policy regarding the distribution of food and clothing at City Parks.</p>	<p>PRNS Lead staff: Mike Will Support: City Attorney's Office/ Office of Economic Development/Police/ Housing</p>	<p>Kip Harkness</p>	<p>St. James Park has faced challenges in terms of public health, welfare, and safety aspects. For that reason, a public safety campaign to Educate-ReDirect-Enforce homeless feeding at St. James Park has been initiated. The goal is to find a balanced solution to promote the park enjoyment, as well as enhanced safety and cleanliness. The "Educate" portion of the campaign has been launched with the installation of signage and a new webpage: http://www.sanjoseca.gov/howyoucanhelp, including information on:</p> <ol style="list-style-type: none"> 1. The Municipal codes that prohibit the distribution of food at parks; 2. Established food kitchens that help feed the homeless; and 3. Safely prepared meals and wrap-around services near the park for the homeless population. <p>The "ReDirect" element of the campaign is in process with identifying a location and securing a food service provider that will fill the food gaps on the weekends. Negotiations are in process with a potential site and food provider. The last element, "Enforce," will take place once the Educate and ReDirect elements are fully implemented.</p> <p>A brief update was provided at the Community Plan to End Homelessness Study Session on October 20, 2017 and an informational memo was posted on December 21, 2017:^t (http://files.constantcontact.com/7a210436601/3ec33d1f-5b37-4817-8efc-73dd71c9b85c.pdf).</p> <p>Project Completion: 50%</p>	<p>Staff to return to the City Council in fall 2018 with report.</p> <p>Estimated Completion Date:</p>

	Policy/Ordinance Name Description	Lead Dept./Staff Support Departments	CMO Lead	What We Are Doing	When Will It Come to Committee or Council?
22	Smoke-Free Housing Explore a prohibition on smoking in multifamily housing units.	PBCE Lead staff: TBD Support: TBD	Kim Welsh	Due to limited staff resources and staff focus on higher prioritized items, a work plan for this item has not been initiated. Project Completion: 0%	TBD Estimated Completion Date:
23	Spurring High Density Development Along Transit Corridors Development of an incentive plan to spur investment in high-density development within the General Plan land use designation "transit residential" by exploring a targeted decrease in the \$17/square foot Housing Impact Fee and other fees, to include looking at alternative payment schedules to the current up-front payment requirement.	PBCE Lead staff: TBD	Kim Welsh	Due to limited staff resources and staff focus on higher prioritized items, a work plan for this item has not been initiated. Project Completion: 0%	TBD Estimated Completion Date:
24	Riparian Corridors and Bird Safe Design Develop a work plan to: -Study the impacts of bird strikes in San José; -Explore the implications of incorporating current voluntary bird-safe design measures as a City-wide requirement along riparian habitats, creek corridors and open spaces; and -Evaluate if additional environmental review may be needed to implement a citywide program.	PBCE Lead staff: TBD	Kim Welsh	Due to limited staff resources and staff focus on higher prioritized items, a work plan for this item has not been initiated. Project Completion: 0%	TBD Estimated Completion Date:

	Policy/Ordinance Name Description	Lead Dept./Staff Support Departments	CMO Lead	What We Are Doing	When Will It Come to Committee or Council?
25	Downtown Active Storefronts Initiative Penalty fees for storefronts that been inactive over one year; allocation of all collected penalty fees toward an incentive program that assists property owners in activating their storefronts; exploration of new tools and recommendations that will require new development in the PBID to activate ground floor space or storefronts. To include citywide business districts or commercial areas.	Economic Development Lead staff: Blage Zelalich Support: Planning, Building, and Code Enforcement, City Attorney's Office	Kim Walesh	Council approved staff's recommendation for a mandatory vacant storefront registration program and ordinance changes on May 1, 2018. Project Completion: 100%	COMPLETE
26	San José is Open for Business/Legal Non-Conforming Uses Clarify Title 20 to reduce the evidentiary burdens for businesses and property owners seeking to establish a longstanding, legal nonconforming use.	PBCE Lead staff: TBD Support: City Attorney's Office	Kim Walesh	Due to limited staff resources and staff focus on higher prioritized items, a work plan for this item has not been initiated. Project Completion: 0%	TBD Estimated Completion Date:

	Policy/Ordinance Name Description	Lead Dept./Staff Support Departments	CMO Lead	What We Are Doing	When Will It Come to Committee or Council?
27	<p>Medical Marijuana Explore whether to allow medical marijuana distributors, manufacturers, and testing labs to operate in San José, and if so, how many and where. (Note: marijuana land use and regulatory issues could be impacted by the outcome of Proposition 64 on the November 8, 2016 California ballot.)</p>	<p>Police/Lead staff: Wendy Sollazzi</p> <p>Support: PBCE</p>	<p>Michelle McGurk</p>	<p>The three State cannabis licensing authorities published emergency regulations in fall 2017 based on the new law for the commercial medicinal and adult-use cannabis industries. The implementation date for the issuance of commercial cannabis licenses was January 1, 2018. It is anticipated that the State will issue updated regulations through the standard rule-making process in Summer 2018.</p> <p>It is challenging to be at the forefront of an emerging industry while also regulating and enforcing. PD is coordinating with the CAO, CMO, PBCE, Fire, and Finance departments and the County to develop ordinance changes to align with new state regulations regarding cannabis policy. Outreach will occur in May for community feedback on San Jose’s proposed updates to the Code.</p> <p>Project Completion: 50%</p>	<p>Policy recommendations to Council in Fall 2018.</p> <p>Estimated Completion Date:</p>