



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Christopher Burton

SUBJECT: SEE BELOW

DATE: June 9, 2023

Approved

Gregory S. Maguire

Date

6/9/2023

SUBJECT: CODE ENFORCEMENT FOCUS AREA SERVICE TEAM PILOT PROGRAM

RECOMMENDATION

Accept the report on the proposed Code Enforcement Focus Area Service Team Pilot Program to proactively address blight in the Downtown and other focus areas of the City.

SUMMARY AND OUTCOME

The implementation of Code Enforcement's Focus Area Service Team (FAST) Pilot Program will provide dedicated resources to enable proactive Code inspections within areas of the City most impacted by blight. The dedicated Code Enforcement Inspectors will conduct proactive blight inspections and enforcement in the Downtown and other focus areas of the City from August 2023 through January 2024. The pilot represents a shift in the Code Enforcement service delivery model which has previously relied on community members to report code violations for issues such as graffiti, overgrown vegetation, inoperable vehicles, and improper storage of items, trash, and debris. Implementation of this pilot will allow the FAST to proactively identify code violations and begin the process to remedy them without having to rely on community members to initiate the process. Staff believes this has the potential to expedite the process while improving the overall condition of the built environment within the focus areas.

The Department of Planning, Building and Code Enforcement (PBCE) has spent the past 20 months focused on filling key staff vacancies, including a particular focus on Code Enforcement Inspector positions in the General Code Team that address blight throughout the City. Recent increases in the number of filled Code Enforcement Inspector positions has enabled PBCE to consider new ways of providing service to customers and property owners, including the development of this pilot program. Staff will use this opportunity to understand the potential for future changes to the Code Enforcement service delivery model and assess the resources required to implement them. Staff will also identify opportunities to align the pilot with other strategic investments in Code Enforcement core service delivery and programming, amend municipal

codes and fines to improve enforcement efforts, and explore ways to improve community partnerships and interdepartmental coordination.

BACKGROUND

Code Enforcement works with customers and property owners to correct violations predominantly through a complaint-based enforcement model. Over the past three years, Code Enforcement has been challenged by disruptions to service delivery due to the COVID-19 pandemic, increasing case backlog, and ongoing difficulties in filling vacant positions. Faced with a 28% vacancy rate among the Code Enforcement Inspector classification, Code Enforcement began a robust ongoing recruitment in October of 2021 to fill vacancies. Over the last 20 months, Code Enforcement has onboarded 19 new Code Enforcement Inspectors and reduced the Code Enforcement Inspector classification vacancy rate to 11% with five vacancies remaining. As a result, the General Code Program team, which responds to complaints on private property City-wide including blight, is fully staffed. Code Enforcement plans to continue the ongoing recruitment until all remaining vacancies are filled.

The improvement in current staffing levels has allowed staff to think more strategically about how we are delivering our core services and explore opportunities to respond more efficiently and effectively to Code Enforcement service requests citywide. In addition to exploring new opportunities to enhance the current service model, staff is also ensuring that the proposed efforts align with previous City Council discussion and direction as part of the 2023-2024 Proposed Budget development process.

As part of the direction outlined in the Mayor's March Budget Message for FY 2023-2024, as approved by the City Council, the City Manager was directed to work with Code Enforcement, BeautifySJ, and the City Attorney's Office to explore and propose strategies to ensure the rapid resolution of blighted private properties. The City Council also directed the Administration to provide a cost estimate for enhanced vacant building blight enforcement City-wide. Additionally, on November 30, 2022, the Rules and Open Government Committee directed staff to explore strategies and develop a plan to effectively address chronically vacant and blighted buildings and storefronts in the Downtown and identify resources to implement the plan.

In response to this direction, staff prepared three Manager Budget Addendums (MBA) to provide a framework for implementing City Council's direction:

- *Rapid Resolution of Blighted Properties/Graffiti Fee-For-Service*¹
- *Vacant Building Blight Enforcement*²
- *Readying Downtown for the Next Wave of Growth and Greater Vibrancy*³

¹ MBA #49: <https://www.sanjoseca.gov/home/showpublisheddocument/98950/638214084409430000>

² MBA #5: <https://www.sanjoseca.gov/home/showpublisheddocument/97924/638200277156900000>

³ MBA #56: <https://www.sanjoseca.gov/home/showpublisheddocument/98964/638214973764355731>

While the intention to improve and strengthen blight enforcement for Vacant Buildings and Storefronts, Downtown, and blighted properties City-wide is greatly needed, as noted in the prepared MBAs, implementation will require a significant allocation of resources and time to implement, in excess of what is currently included in the 2023-2024 Proposed Operating Budget.

Thus, at the direction of the City Manager, with General Code Program Team vacancies filled, Code Enforcement is proposing a new proactive FAST Pilot Program that leverages existing resources to enhance enforcement efforts, quickly address blight, and promote compliance on private property in the Downtown and other high-volume, blight complaint areas of the City.

ANALYSIS

The FAST pilot is intended to explore a proactive approach to Code Enforcement by dedicating resources capable of identifying and processing violations within areas of the City that have faced increased impacts of blight in recent years. This fiscal year, the General Code Program Team has responded to 1,283 new blight complaints and resolved 1,200 blight cases. There are currently 316 open blight cases under investigation out of a total of 4,056 open cases. On average, blight cases comprise 40% of new cases annually and take 123 days to resolve. Based on blight complaint data for FY 2022-2023, the City Council Districts with the highest number of total blight complaints were Districts 3, 5, and 6. The six census tracts with the highest number of blight complaints are in Council Districts 3, 5, and 10.

The current Code Enforcement service model for blight complaints relies upon members of the public to report suspected violations. Once reported, the property owner receives a letter requesting that the owner correct the violation within a specified time, usually 14 days. If the violation is not corrected in a timely manner, a Code Enforcement Inspector is then assigned to the case to follow up and enforce on the violation(s) until compliance is reached. By relying on complaints to be submitted by the public, many violations go unaddressed or are brought to a critical point before Code Enforcement is made aware of the issue. Utilizing a proactive approach with the proposed FAST Pilot Program will not only enhance and expedite service delivery for blight issues in the focus areas, but also reduce the need for community members to report complaints arresting the blight before it can worsen.

FAST Pilot Program

Program Model

The FAST Pilot Program will be a proactive, expedited enforcement model focused on specific blight violations in the Downtown and identified focus areas. The model will consist of three steps: targeted outreach and education, proactive inspections, and expedited enforcement. Code Enforcement Inspectors will also continue to respond to blight complaints in the program areas.

FAST Pilot Program Model	
Step 1- Targeted Outreach and Education	Property owners in the Downtown and identified focus areas will receive an outreach/educational letter three weeks before proactive inspections begin informing them of: <ul style="list-style-type: none"> • The blight codes to be enforced and best management practices to ensure compliance • Date of when they can expect the proactive inspections to begin • General information regarding potential fines for non-compliance • Available resources as applicable • Code Enforcement contact information for questions or assistance
Step 2- Proactive Inspections	Proactive inspections will be conducted in two-week sprints servicing one Pilot Program Area during each sprint. Once inspections are completed, cases will be created and citations issued, as appropriate.
Step 3- Expedited Enforcement	For properties receiving a citation, expedited re-inspections for compliance with citations will begin 10 days after the citation due date, five days shorter than current process timelines.

Focus Areas

To limit the impact the pilot has on other customers throughout the City and on staff’s existing caseload, the pilot will focus on specific service areas. To identify those areas most in need of proactive services, staff analyzed blight complaints over the past year and identified those census tracts with the highest volume.

Primary amongst these census tracts are the Downtown Core and the Alum Rock Corridor. Providing enhanced services in these areas will support the City’s goals to promote economic development and increase vibrancy throughout these areas. Combined with the other areas listed below; these census tracts represent approximately 15% of the 1,335 total blight cases resolved by Code Enforcement over the past year:

- Downtown Core, East Santa Clara/Alum Rock Ave. (6th Street to 680), and S. First St. to Curtner Ave.
- Area bound by East Santa Clara St., N. First St., Washington St., N. 10th St., and East Taylor St. to the Guadalupe River
- Area bound by Karl St., Ocala Ave., E. Capitol Expressway, and Story Rd.
- Story Rd. and Capitol Ave. east to Clayton Rd. and Mt McKinley Dr.
- Almaden Expressway and Capitol Expressway Auto Mall to Branham Ln. and Vistapark Dr.
- Santa Teresa Blvd. and Lean Ave. to Curie Dr.

Scope of Enforcement

Proactive Code Enforcement is limited by the Code Enforcement Inspectors' ability to observe the violation from a publicly accessible space. As defined by *SJMC Title 17 Building and Construction, Chapter 17.72 Community Preservation*, blight includes, but is not limited to, unsecured buildings or structures, improper storage or maintenance of vehicles, equipment, boats, etc.; exterior property conditions such as dry, overgrown vegetation; improper storage of lumber, debris, household items, etc.; hazardous conditions; and attractive nuisances; etc. By focusing on violations that are easily visible from the public right of way such as graffiti, overgrown vegetation, inoperable vehicles, and improper storage of items, trash, and debris, the pilot aims to support broader efforts to create cleaner and more vibrant neighborhoods by proactively addressing issues on private property.

Program Staffing

The FAST will be comprised of two General Code Program Code Enforcement Inspectors. To temporarily backfill the resulting vacancies in the General Code Program, mitigate impacts to the ongoing case backlog, and offset any case processing delays, staff is in the process of onboarding two temporary positions to provide inspection and enforcement support. Additionally, staff plans to retain two retire rehires to continue to assist with case backlog for the duration of the FAST Pilot Program. The FAST Pilot Program will also require support from existing staff including support staff responsible for mailing, data entry, citation processing, and customer service support; a Code Enforcement Supervisor to oversee daily operations and assist with customer service, draft outreach letters, track stats; a Division Manager to provide oversight of the overall FAST Pilot Program, analyze data, provide direction, and customer service support as required; a Deputy Director to develop the FAST Pilot Program scope/parameters, a work plan, provide direction, and customer service support as required; and the Public Information team to assist with outreach materials and postings.

Program Duration

The program is currently proposed for a six-month period beginning in August 2023 through January 2024. In January 2024, the FAST Pilot Program will be evaluated and analyzed for effectiveness in promoting compliance and resolving blight quickly in the focus areas. Should the program be effective, staff will evaluate staffing and resource needs to expand the program to other areas of the City as part of the 2024-2025 Proposed Budget development process in the context the City's budgetary position and other City Council priorities.

Outreach

Fundamental to Code Enforcement's mission and goal is to use outreach and education to foster compliance with municipal codes. In alignment with this, staff will conduct outreach and education to the property owners in the focus area to inform them of the FAST Pilot Program scope, duration of the pilot and inspection dates, best management practices on how to reach and remain in compliance, and contact information for customer service and resources. Additionally,

staff will provide outreach to the focus area neighborhood and community groups as appropriate to inform them of the FAST Pilot Program and receive feedback. Lastly, staff plans to conduct a survey to customers in the focus areas to get a before and after FAST Pilot Program assessment of the conditions of their neighborhood. Staff will utilize language access resources and provide information in multiple languages and ensure that information on the FAST Pilot Program and potential actions by Code Enforcement are available to all residents, businesses and property owners in line with PBCE's Racial Equity Action Plan.

Tracking, Evaluation, and Insights

The FAST Pilot Program provides a unique opportunity to not only try out and assess a new proactive service delivery model, but to also examine the effectiveness of current municipal codes and fines, understand targeted outreach and education effects on compliance, gather insights to improve service delivery and inform future programming, and explore opportunities for improved external and internal collaboration. Staff will establish and continue to develop Objectives and Key Results (OKRs) to understand the effectiveness of the FAST Pilot Program's enforcement model compared to the current service delivery process. These will include measures such as the number of cases created/resolved, time to resolve the case, and compliance rate of various enforcement tools used. Staff will also analyze the impact of the FAST Pilot Program on the focus area's overall caseload and conduct before and after Pilot survey to make observations of the overall impacts on the focus area. The OKRs will be captured as part of PBCE's Customer Service Charter published on PBCE's webpage. Staff will also track time and resources expended by other classifications and funds, such as non-personal/equipment expenditures, to support the FAST Pilot Program to understand the true program costs and inform future budget proposals for ongoing costs should the program be considered for extension or expansion for FY 2024-2025.

EVALUATION AND FOLLOW-UP

Staff will provide a status report to the Neighborhood Services and Education Committee on the overall outcome and effectiveness of the FAST Pilot Program in spring 2024. Staff's report to the Neighborhood Services and Education Committee will include an analysis of the objectives and key results, the impact on caseload within these targeted areas, and the insights gained on outreach, education and collaboration. Staff will consider whether to use a similar methodology, based on the highest volume of cases in the prior fiscal year, or other considerations such as a rolling program that sequentially focuses on all parts of the City. Should the FAST Pilot Program be proposed for extension or expansion, additional resource allocations will be considered as part of the FY 2024-2025 Proposed Budget development process in the context the City's budgetary position and other City Council priorities.

COST SUMMARY/IMPLICATIONS

To backfill the resulting vacancies in the General Code Program team, mitigate potential increases to the ongoing case backlog, and offset any case processing delays, staff will reallocate

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FY 2023-2024 salary savings to onboard two temporary positions and retain two retire rehires to provide inspection and enforcement support. Additionally, staff will evaluate the effectiveness of the pilot's enforcement model in relation to resources expended to address blight compared to the current service delivery process. Staff will also track time and resources expended by other classifications and funds, such as non-personal/equipment expenditures, to support the FAST Pilot Program to understand the true program costs and inform future budget proposals for ongoing costs should the program be considered for extension and expansion in FY 2024-2025.

COORDINATION

This memorandum has been coordinated with the City Manager's Budget Office.

PUBLIC OUTREACH

This memorandum will be posted on the City's Council Agenda website for the June 20, 2023, City Council meeting.

COMMISSION RECOMMENDATION AND INPUT

No commission recommendation or input is associated with this action.

CEQA

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

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/

CHRISTOPHER BURTON
Director, Planning, Building and Code
Enforcement

For questions, please contact Rachel Roberts, Deputy Director, Code Enforcement, at rachel.roberts@sanjoseca.gov or (408) 535-7719.