

# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Kip Harkness

**SUBJECT:** SEE BELOW

**DATE:** March 10, 2021

Approved



Date

03/10/21

**SUBJECT: SPECIAL MEETING OF THE CITY COUNCIL ON THE CITY  
ROADMAP – FROM COVID TO RECOVERY**

## **RECOMMENDATION**

- (a) Add two (2) new initiatives to the Fiscal Year 2021-2022 City Roadmap to be considered as input for the budget process;
- (b) Approve a backlog of deferred initiatives for Fiscal Year 2021-2022; and
- (c) Discussion of the addition and removal of initiatives, and the addition or removal of initiatives, to the Fiscal Year 2021-2022 City Roadmap.

## **OUTCOME**

Continued from the February 25, 2021 Special Meeting, the Mayor and Councilmembers will provide guidance for initiatives on the Fiscal Year (FY) 2021-2022 City Roadmap to be considered as input for the budget process. Staff will articulate how the City Roadmap will be operationalized.

## **EXECUTIVE SUMMARY**

Under the intersection and interaction of multiple disasters in 2020 and 2021, the City of San José (City) is at a crossroads, which requires an innovative, inclusive, and transparent approach to prioritizing scarce resources to move our community's recovery forward. The recommended actions in this memo will enable the City to prioritize its most critical change initiatives for FY 2021-2022. The following memorandum:

- Characterizes where the City is at with respect to COVID Response and Recovery;
- Outlines the City Roadmap as a tool for prioritizing change initiatives;
- Distinguishes change initiatives (City Roadmap) from business as usual (City Services);
- Recaps actions taken during the February 25, 2021 City Roadmap Special Meeting;

- Describes the prioritization process through which the Mayor and Councilmembers will engage for Round 2 prioritization as continued from the February 25, 2021 City Roadmap Special Meeting; and
- Proposes a path forward for implementation, performance, and accountability.

## **BACKGROUND**

A disaster is defined as a serious functional disturbance of a community involving widespread human, material, economic, and environmental losses that exceed the ability of the affected community to cope using its own resources. For the City of San José, the year 2020 was characterized by the intersection and interaction of multiple disasters any one of which would have been a challenge. The year 2020 saw us responding to a deadly pandemic, an economic crisis, structural racism, civil unrest, power shutoffs, flood threats, and widespread wildfires. The City responded to these waves of crisis with an early and large mobilization of the City's Emergency Operations Center (EOC) and standing-up a range of new services such as feeding, emergency housing, deployment of internet hotspots, creating safe learning pods, and providing relief to individuals and small businesses. This response has stretched an already lean City workforce beyond its own resources and ability to sustain service levels, continue to respond to community COVID-19 response needs, and address other priorities that will have impacts on our long-term future.

If 2020 was our 'Year of COVID Response,' then 2021 must be the beginning of our 'Year of Recovery.'

The City is at a crossroads, which requires an innovative, inclusive, and transparent approach to articulate and align on how to best deploy scarce resources to move our community's recovery forward. This moment is not one of establishing a balance between everything we know is important. This moment is not one of being holistic and trying to move everything forward at once. Instead, this moment is about trajectory. This moment is one of making difficult decisions so that we might set our community on the path towards healing. In order to be successful, we must set aside the myriad of interesting things we might do in order to prioritize the vital few initiatives that must happen in the next year to move the City of San José toward our vision of long-term recovery.

Over the last year, the City has collectively taken crucial, small steps towards this level of prioritization and strategic planning:

- On February 25, 2020, City Council held its 2020-2021 Council Policy Priority Setting session. The outcome was a list of 22 policies prioritized for work during FY 2020-2021.
- On February 26, 2020, the Administration hosted a City Roadmap workshop with department directors to create the first prototype of an Enterprise Priorities Roadmap. The outcome was a list of 68 highest priority initiatives mapped onto the City Manager's Enterprise Priorities – our first draft of an internal Enterprise Priorities Roadmap.

- On March 16, 2020, the Administration created the first EOC COVID-19 Response Roadmap. This roadmap identified 13 highest priority initiatives focused on slowing and reducing the spread of COVID-19 and supporting our most at-risk communities.
- In October 2020, the Administration recognized the need to merge these first three (3) sets of priorities into a unified framework. The outcome was a merged set of 45 priority initiatives – our prototype FY 2020-2021 City Roadmap.

On November 17, 2020, City Council received a presentation on the next iteration of the FY 2020-2021 City Roadmap. The Administration presented this roadmap as the priorities for the remaining Fiscal Year to focus on through June 30, 2021. The presentation also outlined the relationship between the City Roadmap (change initiatives) and the delivery of normal City Services (business as usual). The change initiatives that make up the City Roadmap are importantly distinct from normal City Services in that they represent significant new policies, strategies, or projects that are not traditionally or routinely delivered by the City.

On December 18, 2020, the City Manager distributed a ‘2021-2022 Operating Budget Development Planning’ memorandum, which provided direction to departments to develop budget proposal submittals considering 1) Equity (using the Budgeting for Equity Worksheet coordinated with the Office of Racial Equity) in combination with 2) Initiatives identified in the City Roadmap. Throughout the pandemic, the City has prioritized its response activities to assist those most vulnerable and those most impacted, both from a public health and economic perspective. This approach will continue. The Office of Racial Equity will use the Budgeting for Equity Worksheet responses for City Roadmap initiatives to understand and inform gaps and opportunities for the City to accomplish its equity goals. The Budget Office will consider the FY 2021-2022 City Roadmap resulting from the February 25, 2021 and March 15, 2021 Special Meetings of the City Council to inform and prioritize resource allocation, as part of the 2021-2022 Proposed Budget to accomplish the critical initiatives on the City Roadmap.

On February 25, 2021, the Mayor and Councilmembers engaged in a prioritization process to approve a draft FY 2021-2022 City Roadmap (Round 1), with capacity to add two (2) more initiatives at a later time (Round 2). The Council agreed to discuss and approve these new initiatives at a second City Roadmap Special Meeting on March 15, 2021.

All of these individual events and actions bring our community today to a crossroads. We are at a crossroads between a dangerous set of COVID-19 variants and the resilient hope of a vaccination rollout. We are between the devastating community impacts of a pandemic and the deeply felt need for community healing. We are between Response and Recovery.

This City Roadmap Special Meeting asks of ourselves:

*“How might we use the prioritization framework of a roadmap to better align our resources to tackle the most urgent and highest priority issues and opportunities facing our City as we move from Response to Recovery?”*

## **ANALYSIS**

The City Roadmap lays out the vital few change initiatives consisting of: Policies setting new direction, Strategies to guide implementation of new policies, and Projects that are the actual on-the-ground implementation and scaling of policies and strategies. These three types of change initiatives are organized into the eight (8) City Manager’s Enterprise Priorities of:

- Emergency Management and Preparedness;
- Creating Housing and Preventing Homelessness;
- Safe, Vibrant, and Inclusive Neighborhoods and Public Life;
- The Future of Downtown;
- Building the San José of Tomorrow: Private Development Services;
- Smart, Sustainable, and Reliable City: 21<sup>st</sup> Century Infrastructure;
- Strategic Fiscal Positioning and Resource Deployment; and
- Powered by People.

Taken together the City Roadmap represents the prioritized change initiatives that are the focus of City leadership and resources beyond business-as-usual service delivery. The City Roadmap is the list of changes to which the City says “Yes!”. By implication, change initiatives not on the roadmap must take a back seat and we may have to say “not yet.”

The principles behind the creation of the City Roadmap process include:

- Helping the City clarify its priorities;
- Designing a transparent arena for input and deliberation;
- Aligning with the budget process as a strategic planning mechanism; and
- Integrating an equity-based approach to decision-making.

### ***The FY 2021-2022 City Roadmap: Our Recovery Year***

The February 25, 2021 and March 15, 2021 City Roadmap Special Meetings are designed to provide a forum for Council discussion and feedback related to change initiatives that should be considered for inclusion on the FY 2021-2022 City Roadmap. These sessions will include a discussion of past and potential Council Policy Priorities and takes the place of the usual stand-alone meeting on that topic. The format of the Special Meetings will include a workshop design based on the principles of Agile Methodology and Participatory Budgeting – two approaches long used in the City of San José. Using Agile and Participatory Budgeting allows the City to be

more innovative, inclusive, and transparent in how the City prioritizes its work and allocates its resources.

The creation of the FY 2021-2022 City Roadmap is aligned with the budget process and budgeting for equity process to evaluate resource trade-offs and impacts. The resulting City Roadmap will be evaluated for opportunities and gaps to better accomplish the City's equity goals in partnership with the Office of Racial Equity. The City Roadmap team and the Office of Racial Equity will partner to integrate an equity approach into the initiatives on the City Roadmap including understanding: "Who benefits?" and "Who is burdened?" Centering questions of race and equity in budgeting will help San José take a meaningful, intentional step towards improving the conditions of well-being for the people most impacted by structural racism, the pandemic, and the struggling economy.

The outcome of the February 25, 2021 City Roadmap Special Meeting was a completed Round 1 of prioritization in which the Mayor and Council approved a draft 2021-2022 City Roadmap. This process involved discussion and subsequent motions to remove initiatives to deprioritize them for FY 2021-2022. Of those considered and discussed, one initiative was deprioritized: "Increase in SJC Air Passenger Levels." The capacity of deprioritizing this initiative, along with the Administration's estimated capacity, allows a limited scope of new policies to be added.

In Round 2, the Mayor and Council will collectively identify two (2) most important new policies from the backlog (Attachment A) to be added to the FY 2021-2022 City Roadmap (Attachment B) for the next year and identify additional policies to be prioritized to the top of the backlog.

The Mayor and Councilmembers will consider backlog initiatives and new policies listed and described in Appendix A from sources including:

- Remaining unfinished FY 2020-2021 Council Policy Priorities;
- New proposed FY 2021-2022 Council Policy Priorities;
- Referrals of potential new Policy items from FY 2020-2021 Rules Committee Reviews, Recommendations, and Approvals; and
- A backlog of deprioritized items not placed on the Roadmap FY 2020-2021 Enterprise Priorities.

During the February 25, 2021 City Roadmap Special Meeting, staff was directed to evaluate the backlog initiatives and new policies listed in Appendix A for any initiatives that could be combined based on similarities. Staff has identified the following pairs to combine:

Combination 1:

- NP16: San José Surveillance Ordinance; and
- EP2: Digital Privacy Policy Implementation.

Combination 2:

- NP6: Build Back Better Initiative; and
- NP8: Convene a Citywide COVID-19 Recovery Task Force.

***Workshop Design and Instructions***

The workshop component of the City Roadmap Special Meeting will utilize a process rooted in Agile Methodology and Participatory Budgeting. The process is derived from approaches used in technology to drive product development and is adapted for the public sector and local government context. The Roadmap creation process allows for an innovative, inclusive, and transparent approach to priority setting.

**Round 2 Prioritization Recommended Process:**

1. **Points.** The Mayor and Councilmembers will have five (5) points each to be allocated to initiatives listed on the backlog (Attachment A) to determine which initiatives will be prioritized.
2. **No point clustering.** The Mayor and each Councilmember may only invest one (1) point per initiative. In other words, they cannot multi-vote or place two (2) or more points on a single initiative.
3. **Point threshold.** An initiative must receive six (6) or more points to be eligible for the City Roadmap. In other words, at least six (6) different people must invest one (1) point in the initiative.
4. **Maximum number of new initiatives.** Given the limited capacity of the Administration in the coming Fiscal Year, only the top two (2) initiatives will be added to the City Roadmap. Any other initiatives receiving points will be moved to the top of the backlog to be added to the City Roadmap at a future time when capacity becomes available.

**Step 1: Public Comment**

The community will have the opportunity to public comment for two (2) minutes to voice their perspective on what policies should or should not be prioritized.

**Step 2: Council Advocacy**

The Mayor and Councilmembers will each be given up to five (5) minutes to advocate for or against any initiatives in consideration.

**Step 3: Initial Simultaneous Point Investment**

The Mayor and Councilmembers will invest each of their five (5) points to the initiatives they wish to prioritize. This will be done individually by submitting a digital form. Once all forms are received and tallied, the results will be revealed simultaneously.

1. Backlog initiatives receiving no points will be removed and are no longer in consideration; and
2. Backlog initiatives receiving only one (1) point will be removed and are no longer in consideration. The points invested in these initiatives will be returned to the Mayor or Councilmember who invested them.

#### **Step 4: Point Reallocation and Council Advocacy**

The Mayor and Councilmembers will be given up to three (3) minutes to advocate for or against any initiatives in consideration. The Mayor and Councilmembers who have points returned to them will reinvest these points to any of the initiatives that remain in consideration and that they have not yet invested a point in.

#### **Step 5: Final Prioritization**

The two (2) initiatives with the most, and at least six (6), points will be considered added to the FY 2021-2022 City Roadmap.

1. **Ties.** In the case of a tie between initiatives that would result in more than two (2) policies being prioritized, the Mayor and Councilmembers will be asked to reallocated points from another initiative to break the tie.
2. **Backlog.** Any other initiatives receiving points will be moved to the top of the backlog to be added to the City Roadmap at a future time when capacity becomes available.

The Administration will evaluate backlog initiatives for any direct, clear ties to initiatives on the existing City Roadmap. If there is a clear alignment, the Administration will assess whether the scope of the backlog initiative can be incorporated into the work plan of the identified City Roadmap initiative. If yes, the Administration will bring forward a policy discussion to add it onto the City Roadmap given its alignment to an existing initiative.

### **CONCLUSION**

A roadmap is a prioritization framework to better align and focus limited resources – including limited leadership capacity – to tackle the most urgent and highest priority issues facing the City. Council discussion and guidance will inform the budget process and staff's approach to implementation and resource allocation for these highest priority change initiatives.

## **EVALUATION AND FOLLOW-UP**

### ***Operationalizing the FY 2021-2022 City Roadmap***

Implementation of the projects, strategies, and policies on the City Roadmap will be driven by the budget process, the emerging Equity Strategy, the use of frameworks such as Objectives as measured by Key Results (OKRs), and other appropriate performance metrics. The initiatives will be aligned to Council Committee work plans, as appropriate. Quarterly City Roadmap status reports will be provided to City Council for the overall City Roadmap and major updates to the roadmap, aligned to the mid-year budget review and annual budgeting process. Initiative drivers will provide rotating “deep dive” formal updates on scope, schedule, and impact to the City Manager’s Office.

### ***Community Engagement on FY 2021-2022 City Roadmap***

Many initiatives on the FY 2020-2021 City Roadmap have their own approaches to seeking community engagement and input (i.e., Google Development, Diridon Station Area Plan, Police Reforms Work Plan). The Administration will seek additional community engagement and input on the FY 2021-2022 City Roadmap after this Special Meeting through the budget process. Community Budget Meetings will occur in May 2021 to seek community feedback after the release of the 2021-2022 Proposed Budget.

## **CLIMATE SMART SAN JOSE**

The recommendation in this memo aligns with one or more Climate Smart San José energy, water, or mobility goals.

## **PUBLIC OUTREACH**

This memorandum will be posted on the City Council Agenda website for the City of San José Council Special Meeting to be held on March 15, 2021.

## **COORDINATION**

This memorandum, related documents, and resolutions were prepared in coordination with the City Manager’s Office of Civic Innovation, Human Resources, the City Manager’s Budget Office, and the City Attorney’s Office.

## **COMMISSION RECOMMENDATION/INPUT**

No commission recommendation or input is associated with this action.

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**CEQA**

Not a Project, File No. PP17-007, Preliminary direction to staff and eventual action requires approval from decision-making body.

/s/

KIP HARKNESS

Deputy City Manager

For questions, please contact Kip Harkness, Deputy City Manager, at [kip.harkness@sanjoseca.gov](mailto:kip.harkness@sanjoseca.gov).

**Attachment A:** Backlog Initiatives and New Policy Descriptions

**Attachment B:** Draft FY 2021-2022 City Roadmap (approved during February 25, 2021 City Roadmap Special Meeting)

**Attachment C:** FY 2020-2021 City Roadmap (current Roadmap being executed will not be revisited or revised in the City Roadmap Special Meeting)

**Attachment D:** Example Round 2 Point Investment Form

## Appendix A

**CP:** Council Policy Priorities (remaining and unfinished from FY 2020-2021)

- *In priority order from February 25, 2020 session and excluding completed policies and policies already continuing onto the FY 2021-2022 City Roadmap which is why the number is not necessarily sequential*

**NP:** New Proposed FY 2021-2022 Council Policy Priorities

**RR:** Referrals from FY 2020-2021 Rules Committee

**EP:** Enterprise Priorities (remaining and unfinished from FY 2020-2021)

**Table 1. Remaining Unfinished FY 2020-2021 Council Policy Priorities (CP)**

No.	Initiative Name	Source
CP1	Local Hiring/Local Business/Apprentice Utilization Program	-
CP4	Downtown and/or Citywide Parks Operations and Maintenance Financing District	-
CP8	Universal Development Fee & Impact Fee Deferred Payment Program for Housing	-
CP9	Cannabis: Equity Applicant Program	-
CP11	Anti-Displacement Preference Ordinance	-
CP13	Update Council Policy 5-6, Traffic Calming Policy for Residential Neighborhoods	-
CP14	Citywide Transit First Policy Framework	-
CP15	Public Safety Power Shutoffs: Making San José Grid Resilient, Item 5b (bond financing)	-
CP16	Update the Council's Wage Theft Prevention Policy	-
CP17	Downtown Zoning Code Update	-
CP19	Explore Procurement of a Polypropylene Plastic Purification Plant	-
CP20	Private Percent for Art	-
CP22	Single-Use Plastic Ban	-
NP1	Advance the Airport - Diridon - Stevens Creek Connector	Mayor
NP2	Affordable Housing Construction Policy on City-Owned Land	D9
NP3	Al Fresco Forever Policy	D6
NP4	Analysis of Raising Minimum Wage	D5
NP5	Boost San José's Retail Sector	D1
NP6	Build Back Better Initiative (combined with NP8 Convene a Citywide COVID-19 Recovery Task Force)	D2
NP7	Citywide Goals and Key Performance Indicator (KPI) Dashboard	D10
NP8	Convene a Citywide COVID-19 Recovery Task Force (combined with NP6 Build Back Better Initiative)	D3
NP9	Creation of a San José Public Health Officer	D3
NP10	Encampment Management Strategy	D10
NP11	Energy Efficiency Through Retrofitting	D4
NP12	Longevity and Health Equity Policy	D6
NP13	Modernizing Traffic Signals City-Wide	D4
NP14	Police Staffing	D7
NP15	Resilience Corps	Mayor
NP16	San José Surveillance Ordinance (combined with EP2 Digital Privacy Policy Implementation)	D2

NP17	Sexual Assault Bill of Rights	D8
NP18	Staffing Analysis	D7
NP19	Strategic Alignment of Youth Development Programs	D8
NP20	Unhoused Resident Safe Relocation Policy	D9
NP21	Universal Preschool Policy	D5
RR1	Cut the Commute Pledge	-
RR2	Existing Homeless Shelter Expansion in Industrial Zones	-
RR3	Medical Marijuana Business Tax Exemption	-
RR4	Offering Wage Advances and Micro Loans to City Employees Through FinTech Services	-
RR5	Urban Greening Implementation Plan (items 1, 2, 3)	-
EP1	Airport Pre-Cursor Projects	-
EP2	Digital Privacy Policy Implementation (combined with NP16 San José Surveillance Ordinance)	-
EP3	Moderate Income Housing Plan	-
EP4	Monterey Corridor Working Group <sup>1</sup>	-
EP5	Property Transfer Tax Policy	-
EP6	Remove, Redistribute Food from Solid Waste / Improve Recycling	-
EP7	Update Ellis Act Ordinance	-

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<sup>1</sup> Monterey Corridor Working Group to resume when COVID-19 pandemic health orders are lifted.